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EXPULSION, RESTORATION OF PARTY MEMBERSHIP CLARIFIED

AU201129 Sofia RABOTNICHESKO DELO in Bulgarian 19 Jan 87 p 2

[Unattributed report: "Correction"]

[Text] On 29 October 1986 under the rubric "At the BCP Central Control-Auditing Commission" our newspaper published an article by Nikolay Relyovski, associate of the BCP Central Control-Auditing Commission, entitled "The Protected Right of Criticism."

Unfortunately, as we found later, the article presented the case of expelling Comrade Svilen Kapsuzov from the party ranks and the decision of the Bureau of the BCP Central Control-Auditing Commission to restore his membership in an incorrect light. It is not correct that the reason for the "harsh treatment" of Svilen Kapsuzov was his criticism of the leadership and chief editor of the RODOPI magazine for "ideological devaluation" and for turning the magazine into a "petty bourgeois" one, nor was it his criticism of the Smolyan Okrug leaders. The facts show that in 1980 Comrade Svilen Kapsuzov was justifiably removed from the party ranks for his ideological and moral positions and manifestations, which were incompatible with party policy and party morale.

The repeated and most competent discussions in RODOPI magazine show that today, as in the past, the magazine successfully implements its general goal of reflecting the crucial social-intellectual processes in socialist construction in the Rodopy area from party-class positions. Of course, some criticism has been directed toward the editorial board of the magazine for mistakes which have been allowed, and wishes have been expressed to improve the magazine.

In contradiction to the principle of party criticism and morale, the author of the article has one-sidedly used some facts and concealed others, thus deceiving the party and the socialist public.

With its decision to restore the party membership of Svilen Kapsuzov, the Bureau of the BCP Central Control-Auditing Commission considered his behavior after the penalty, noting that he had learnt the necessary lessons, but it did not retroactively clear him of the political and ideological mistake which he had allowed in the past.

The RABOTNICHESKO DELO editorial board apologizes to readers for the inaccuracies and distortions in Nikolay Relyovski's article.

FORMER DEPUTY MINISTER RECEIVES MAXIMUM SENTENCE

AU191835 Sofia RABOTNICHESKO DELO in Bulgarian 17 Jan 87 p 6

[BTA report: "Severe Sentence for Heavy Crimes"]

[Text] On 16 January 1987 the Supreme Court of the People's Republic of Bulgaria dealt with General Penal Case No 2 of 1986 concerning the defendant Georgi Nanev Vutev, former deputy minister of foreign trade.

The court found the defendant guilty of having systematically abused his official position during the 1976-1986 period, having accepted bribes from representatives of foreign firms, and having committed currency crimes involving large amounts of money, which resulted in considerable national economic damage.

The court sentenced Georgi Nanev Vutev to the maximum sentence according to the law, namely to 15 years imprisonment and confiscation of his property.

The verdict is final and there is no appeal.

POWER SUPPLY, TRANSPORT DIFFICULTIES REPORTED

AU191918 Sofia BTA in English 1817 GMT 19 Jan 87

[Text] Sofia, January 19 (BTA) -- The sharp drop in temperatures has created difficulties for the power supply system in many parts of the country. Ice has gathered on medium and low voltage lines in northern Bulgarian and some parts of central and southern Bulgaria.

As Mr Dimitur Mengov, director of the power supply division of the "Energetika" economic corporation, told a BTA reporter, "the situation continues to be serious due to the bad motor transport conditions. All power supply organizations have concentrated their efforts in order to restore the electrical power supply network."

"What poroblems have the snow and ice created for the country's road and railway transport and what is being done to tackle them?"

"We are slowing down but not stopping transport. This is the result of the efforts of thousand of people who are working round the clock to clear the snow from the highways and are sanding the ice-covered sections. The maintenance groups have ensured a regular power supply for the railway system. Thanks to them, transport has been restored on all roads in the country this afternoon. The passes of the Balkan range are open."

STRUGGLE AGAINST ICE, SNOW CONDITIONS CONTINUES

AU192045 Sofia Domestic Service in Bulgarian 1830 GMT 19 Jan 87

[Excerpts] After the heavy snowfalls and the great amounts of ice, the workers of the electric power network, the railroad transport sector, and the automobile transport sector spent a very hard night and day. [passage omitted]

The most recent reports from our local correspondents cover the present situation:

The situation in Silistra Okrug is particularly difficult. For 3 days now over 60 settlements and 31 villages have been suffering from a shortage of electric power. Nearly 30 emergency groups are working to restore the electric power and water supplies. Work in working to restore the electric power and water supplies. Work in the ports of Silistra and Tutrakan has stopped. [passage omitted] Great difficulties also exist in the animal husbandry sector. Special emergency generators are operating in some animal husbandry farms, and in those suffering from a water shortage special water tanks have been installed. The population's supply of foodstuffs is normal for the time being. The settlements in which electric power has been interrupted are being supplied with the necessary gas for lighting. Because the Danube River is covered with ice, the port of Vidin has stopped work. Despite the difficulties, the ferryboat between Vidin and the Romanian port of Calafat is in operation.

An unrelenting struggle against ice and snow is also being conducted in Ruse Okrug. The emergency groups are rapidly restoring the interrupted power supply.

The intensive freezing of the rivers has made it necessary for the Bulgarian River Navigation management to order all river ship crews to reach their ports as soon as possible. [passage omitted]

Work for clearing the road network continues in Tolbukhin Okrug as well. With the help of the Okrug road plant, numerous vehicles are in operation. For the time being normal work is ensured in the industrial enterprises. The transport of fodder to the animal farms is ensured, and agricultural production is being promptly delivered to food processing enterprises.

As to Shumen Okrug, electric supply has been restored in 30 villages. Everything possible is being done in order to restore the supply to the remaining 20 villages in the northern part of the okrug. All roads are open to traffic.

At the Turgovishte Okrug, prompt restoration work is being accomplished. As many as 39 villages are still without electric power. Measures are being adopted to supply the animal farms with the necessary quantities of fodder and water. [passage omitted]

In Razgrad Okrug, along the valley of the Beli Lom River, the pumping stations in a number of large industrial enterprises in the municipalities of Zavet, Samuil, Senovo, and Ispherikh City are being supplied with electric power today.

Vratsa: 12 emergency groups are working on the interrupted long-distance electric power grids. Despite the heavy snowfalls, the supply of 14 settlements was ensured by 1700 local time. A total of 24 villages have remained without electric power in this area. The roads are being covered with sand throughout the entire okrug.

Measures are also being adopted to overcome the existing difficulties and to normalize the situation in Varna, Mikhaylovgrad, and Smolyan Okrugs.

ECONOMIC COUNCIL SEEKS SUCCESSFUL START FOR 1987

AU191931 Sofia BTA in English 1852 GMT 19 Jan 87

[Text] Sofia, January 19 (BTA) -- A meeting of the Economic Council with the Council of Ministers was held today chaired by its chairman Mr Ognyan Doynov, member of the Politburo of the CC of the BCP. The participants discussed the fulfillment of the plan for 1986.

They noted that the self-managing economic organizations have concentrated their efforts on fulfilling the plans for 1986 in concord with the party decisions on achieving a qualitatively new growth of the economy.

Measures were taken as a result of the analyses and conclusions, made during the year, to further strengthen the self-managing economic organizations as socialist producers of a new type and to make a successful start during the first quarter of 1987.

Matters related to the state's approval of the production were also discussed.

Mr Stoyan Markov, alternate member of the Politburo of the BCP CC, first deputy chairman of the Council of Ministers and chairman of the State Committee for Research and Technologies, also took part in the meeting.

COUNCIL ACTS TO IMPROVE CHEMICAL WEAPONS BAN

AU191824 Sofia BTA in English 1700 GMT 19 Jan 87

[Text] Sofia, January 19 (BTA) -- Decree No 73 of the Council of Ministers of December 30, 1986, which was published today, is a new manifestation of Bulgaria's peaceloving foreign policy and shows that this country is standing firmly by her international obligations. The decree aims at improving the control over chemicals exported from Bulgaria which are designed for peaceful purposes but could also be used in the manufacture of chemical weapons. The decree also takes into consideration Bulgaria's obligations under the Geneva Protocol of 1925 on the banning of the use of chemical and bacteriological weapons.

The Council of Ministers has approved a list of ten chemicals which could be used for military purposes. They can be exported only after the Ministry of Trade has granted permission to that effect and if the importing country has provided guarantees that these chemicals will not be used, directly or indirectly, in the production of chemical weapons, that they will not be re-exported or freed from the exporting country's jurisdiction without the written consent of the respective Bulgarian foreign trade.

NEW TECHNOLOGICAL ASSOCIATION ESTABLISHED

AU200904 Sofia RABOTNICHESKO DELO in Bulgarian 16 Jan 87 p 2

[Text] An "Elektronika" association was established yesterday which is in charge of promoting a uniform technological, investment, and trade policy, and of coordinating the joint activities of the members with the priority purpose of developing and producing unmanned technological and cybernetic systems for the management and organization of activities representing common interest.

The constituent meeting adopted a statute on the work of the association and an executive bureau. Ivan Tenev was elected chairman of the association.

The constituent meeting was attended by Stoyan Markov, candidate members of the BCP Central Committee Politburo and first deputy chairman of the Council of Ministers.

BRIEFS

FLU EPIDEMIC REPORTED -- Since the second half of December 1986 the number of colds increased in our country. Medical research shows that the cases of A-type influenza have become more frequent. The cases of flu are usually light or moderately severe, and in certain okrugs they have an epidemic character. Upon the instruction of the Ministry of National Health, necessary measures have been adopted for limiting the expansion of the flu and for the prompt treatment of patients. The pharmacies in the country are supplied with the necessary medicines for the treatment of influenza and its complications. The citizens are called upon to follow the instructions of the health institutions, and those affected by the disease are urged to seek prompt medical assistance. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 9 Jan 87 p 2 AU]

TEXT OF PRINCIPLES FOR RESTRUCTURING ECONOMY

AU160601 Prague RUDE PRAVO in Czech 9 Jan 87 p 3

["Principles for Restructuring the Economic Mechanism of the CSSR, Approved by the CPCZ Central Committee Presidium and the CSSR Government" -- RUDE PRAVO headline]

[Text] The CPCZ Central Committee Presidium and the CSSR Government have approved the "Principles for Restructuring the Economic Mechanism of the CSSR." In drafting the document, they proceeded from the realization that to ensure the strategic line of accelerating economic and social development mapped out by the 17th CPCZ Congress for the period through the year 2000 it is essential to continuously improve the system of economic planning and managment and to rebuild the economic mechanism. This requires a substantial improvement in the effectiveness of the entire system of management and in the quality of direct managerial and organizational work at all levels and in all links of the system of management, the promotion of the creative initiative of all working people, and the participation of work collectives in management. At the same time, this requires that we build on measures that were approved for the period of the Eighth 5-Year Plan and enforce the exacting efficiency criteria in plan-setting. In doing so, it is necessary to consistently respect the objective laws of socialism, make more effective use of them and promote the socialist principles of steering society and economy, especially the leading role of the Communist Party and the control functions of the socialist state. For this to happen, it is necessary to continuously promote socialist production relations based on the social ownership of production assets, the unity of economic and social policy, the advantages of socialism, and the orientation of economic activity toward meeting society's needs. In restructuring the economic mechanism, we must reinforce both aspects of democratic centralism, apply the principles of guidance by the plan and distribution according to work results, use socialist money-market relations in a planned way, and enhance the participation of working people in management.

The restructuring of the economic mechanism, the aims of which are to accelerate the growth rates of the social productivity of labor and to comprehensively satisfy the needs of society, will be a very complex and demanding process. It will affect all areas and aspects of economic planning, organization, and management and will apply to all levels of both central management and the economic sphere. It will alter the methods and approaches to the solution of all tasks concerning the development of the socialist economy. The accentuated role of efficiency in ensuring a new and higher quality of economic development will place great demands on changes in people's way of thinking, attitudes, and relationships within collectives and within society. The fundamental prerequisite of successfully coming to terms with this entire process is the great commitment of all working people and concerted efforts by state, economic, and trade union agencies and organizatons under the leadership of the CPCZ.

Principles for Restructuring the Economic Mechanism Approved by the CPCZ Central Committee Presidium and the CSSR Government:

1. By implementing the strategy of accelerating the economic and social development mapped out by the 17th CPCZ Congress, crucial prerequisites must be established for the transition to a qualitatively new level of the socialist society's development, one that will provide scope for the full assertion of the advantages of socialism in all spheres of social life. This requires the carrying out of profound changes, especially in the economy. In particular, it requires a fundamental turnabout toward an intensive type of development and a reorientation of all branches and organizations toward the comprehensive use of the qualitative factors of economic growth, notably scientific-technical development. [paragraph continues]

The continuous improvement of production relations, the maintenance of a constant harmony between production relations and the dynamically developing production forces, and the timely exposure and tackling of nonantagonistic contraditions that arise between the two must be regarded as an essential prerequisite and integral part of this process. The basic path toward this goal in the current stage is the restructuring of the economic mechanism. In rebuilding this mechanism, attention must focus on the further reinforcement and multiplication of the social ownership of production assets and on raising the standards of the socialization [zespolecensteni] of production and of its planned management and organization. In doing so, the principles of steering the socialist economy must be consistently applied, especially democratic centralism in both its aspects.

2. The process of raising the effectiveness of central management must be mutually linked with a distinct reinforcement of the independence of the enterprise economic sphere. The powers and the responsibility of these two spheres and their mutual relations must be thoroughly demarcated in accordance with their objectively diverse positions and functions in the economy while at the same time respecting the unity of the socialist society's aims; that is, while respecting the need for the state plan, the economic accountability of organizations, and the participation of working people's collectives in management to exercise influence in the same direction.

3. The role of central management and planning is to be enhanced by focusing the activity of central agencies primarily on:

-- The specification of the programmatic targets of the CPCZ economic and social policy through long-term central outlooks and plans;

-- Drawing up long-term strategic practical programs for the development of the economy, programs that will have a crucial impact on the dynamics of innovation and structural transformations, on the program-based integration in the international division of labor, and thereby also on raising the efficiency of the entire national economy;

-- Markedly enhancing the balance and proportion between material resources and financial assets in the economy;

-- Ensuring an efficient and balanced territorial development of the entire national economic complex;

-- Making more exacting the conditions, norms, and rules which they set for the operations of organizations and for the execution of central management functions;

-- Radically limiting operative and administrative management at the level of central agencies with the aim of creating room for conceptual work by the center, for an enhancement of the economic methods of management, and for increased responsibility and legal powers of organizations;

-- Corresponding changes in the contents of the state plan and the economc plans of organizations while efficiently linking the two and providing for the relative independence of economc plans.

4. The accountability of organizations for actually meeting the needs of society as expressed in the demands of consumers and customers and in the tasks of the state plan must be substantially enhanced. It is necessary to apply full economic accountability, especially the principle that, essentially, an organization avails itself only of resources which it itself created in a socially desirable manner and does not use subsidies, redistributions, and exemptions that in the long run permit or conceal inefficiency. From the created resources the organization in the first place ensures its obligations vis-a-vis the state (remittance, taxes, and the like) and the reproduction of socialist property entrusted to it by the state. At the same time, while respecting the set normative rules and regulations, it ensures wages for its employees, resources for additional material incentives, and creates contingency reserves.

In proportion to the enhancement of their accountability, it is also necessary to strengthen the legal powers of organizations in setting and implementing economic plans; using their retained earnings; improving organizational structures; choosing market, supply, and cooperation channels (including the establishment of direct foreign ties with organizations of CEMA member-states); as well as in determining the structure of manufactured commodities in accordance with the mission of the organization as expressed in its statutes.

5. It is necessary to streamline ties between the center and organizations in order to achieve closer cooperation between the two and to deepen the fusion of enterprise and national interests. Mandatory long-term normative rules, tasks, allocations, and criteria of the state plan are to be regarded as the crucial area of relations between the center and organizations. Detailed management of organizations is thus to be fully replaced by individualized normative rules and indicators through an efficient combination of economic normative rules that are binding, essentially uniform, and stable over a relatively long period of time with direct tools of management (designated tasks arising primarily from strategic programs as well as allocations of limited resources).

The normative rules for individual years of the planning period are to be made known at the beginning of work on the 5-year plan. The nature of these rules should stimulate the organizations' interest in progressive tasks of the plan and guide them to improve the management, organization, and technological process of production, to use the results of scientific-technical progress, and thereby to continuously increase labor productivity and efficiency. Following the approximation of the conditions under which organizations effect the reproduction process, the essentially uniform economic normative rules are to be used as society's yardstick for gauging the standard of the economic performance of organizations.

6. By changing the outputs [vystupy] of the state plan as well as by enacting a policy of economic balance and proportion, by putting value instruments on an objective footing, and by enhancing the role of universally valid legal regulations, crucial prerequisites are to be created for clearly limiting the operative and administrative activity of central agencies.

7. Organizational structures and forms in production, research, design, and circulation are to be streamlined. The independent economic unit that is capable, within the framework of social norms and economic conditions, of creating programs and plans for its development and for being financially accountable for their implementation is to be regarded as the basic link of management. This means, above all, that this independent economic unit is the bearer of the tasks of the state plan and of relationships toward the state budget and that full economic accountability can be effectively applied to it. [paragraph continues]

In establishing basic links of management, special attention is to be devoted to their ability to meet the changing practical tasks of the economy's development, especially by better satisfying society's needs and speeding up the processes of scientific-technical development and integration in the international division of labor. In view of the interdisciplinary nature of international and state programs in these areas, it is necessary to overcome a one-sided departmental (sectoral) approach also in exercising control over organizational structures. The formation of organizational structures must be subordinated to this aim; the structues must be differentiated in terms of the size of independent organizations and their internal arrangement and forms (including a broader application of combines and territory-based organizational principles). The existence of independent specialized enterprises as well as differentiated forms of economic and organizational linkage of production with domestic and foreign trade, research, design, and the like are to be made possible on a broad scale. The rights of organizations to have direct access to foreign markets are to be expanded.

The streamlining of organizational structures should contribute to inspiring socialist entrepreneurship, curbing monopolistic tendencies that have no technological and economic justification, and promoting competition among organizations to meet the needs of society as fully as possible and with the best possible quality.

8. To ensure that targets are met with regard to improving the quality of central management, it is also necessary to work out guidelines and the course of action for improving the organizational structures of the agencies of state administration. Unnecessary intermediary links throughout the hierarchy of management must be curtailed.

9. The mapped out guidelines for a more consistent application of the principle of democratic centralism in relations between the center and organizations must also be worked out in an appropriate manner for the other spheres and links of economic management, notably for management within organizations and for territorial relations.

10. At the same time, it is also necessary to fundamentally enhance the effectiveness of relations among organizations in order to improve the position of customers and consumers vis-a-vis suppliers. The essential prerequisites for this must be established by a plan-based reinforcement of balance between material resources and financial assets, by ensuring harmony between supply and demand in mocrostructure, and by making a broader use of the advantages provided by the international division of labor, notably by the socialist economic integration. We must also reexamine from these viewpoints the contents and the function of economic contracts and substantially raise the impact which their conclusion and fulfillment have on the final results of organizations' activity.

11. Bringing about a qualitative change in the contents of the state plan and in the method in which its targets, intentions, tasks, as well as conditions are brought down to individual agencies and organizations must be regarded as the crucial direction of restructuring the economic mechanism:

a) The state plan must be drafted more comprehensively for it to express and ensure the eocnomic, scientific-technical, and social policies in their unity and for its contents to provide for a mutually interlinked channeling fo the basic proportions f the future development -- in kind and in value. That is why, henceforth, major intentions with regard to the development of prices, the fundamental specifications of the currency and credit plan, as well as the aggregate fiscal plan are to be made an organic part of the state plan. [paragraph continues]

This requires a far more active participation of the relevant interdepartmental central agencies in the creation of the state plan and, at the same time, a reinforcement of their objective function in, and responsibility for, the implementation of the set policy in the areas entrusted to them. Compared with the present state of affairs, it must be ensured that the value instruments exert an active influence on an efficient selection of practical programs and tasks as well as on the equilibrium among individual items of the plan.

The state plans must also address, in a comprehensive manner, the development of individual republics, regions, and industrial and population centers, especially from the viewpoint of the ties between production and the entire production and nonproduction infrastructure.

In keeping with this idea, it is necessary to complete the build-up of the state planning commission and the planning commissions of the two republics as conceptual centers that draw up comprehensive drafts of the national economic plan as well as proposals for itemizing, improving, and fulfilling it, while ensuring unity between the material and value aspects of the reproduction process. At the same time, it is necessary to change the work style of all central agencies.

b) A set of conditions must be established to stimulate the interest of organizations in progresssive plans as well as progressive actual results. With this in mind, it is necessary to replace those elements of the system of management that are responsible for the prevailing interest that organizations have shown until now for less challenging tasks; above all, it is necessary to enforce material incentives that are based on actually achieved final economic results, or on their increments (in contrast to the prevailing dependence that material incentives have had until now on the extent to which either the indicators of the plan or normative rules inferred from these indicators and broken down for individual organizations have been fulfilled). The interests of economic organizations are to be tied up with the interests of labor collectives and their members so as to spur the development of working people's initiative toward an efficient implementaton of the party's economic policy. This should also enhance the standing of working people as managers, as direct participants in the utilization and multiplication of socialist property.

c) The following specifications are to be made the contents of the outputs of the state plan vis-a-vis economically accountable [chozrascotni] organizations:

-- Uniform criteria for gauging efficiency and its development. The rate and quality of the growth of created national income on the national economic level and the development of net income (profit) at the enterprise level (or the development of net production for some specific purposes) are to form the foundation of these criteria. These criteria are to be formulated in such a way that they provide a basis for a more reliable and exacting comparison with the standard and the development of social productivity of labor in advanced states of the world and that they also contain the development of the yields of foreign trade. Net income (profit) after the deduction of criterion-based [kriterialni] remittances to the state budget and penalty payments is to be made the subject of organizations' material incentives;

-- Mandatory long-term economic normative rules, the rate of remittances (taxes) to the state budget, and other regulations. On the one hand, these tools should ensure the distribution of created resources between society and organizations as set by the state plan and the budget; on the other, they should regulate selected major directions and proportions of the use of resources within organizations -- for development (capital investment and scientific-technical development), wages, and cultural and social needs. The aim must be to have uniform rates for these tools and, as a rule, these rates should be in force for 5 years. [paragraph continues]

Alterations in these rates should be carried out only in exceptional, grave cases and so that they do not result in down-levelling, that is, they too must be carried out in a uniform way and according to rules set in advance as part of the state plan. In applying uniform rates of normative rules, remittances, and taxes, account must be taken in the initial period of the diverse starting conditions under which organizations operate. The uniformity of these tools should be applied also as one of the decisive methods of planning, stimulating, and supervising the reproduction of socialist property by economic organizations;

-- Mandatory and specifically targeted and defined tasks and allocations of the state plan should be spelled out mainly in the area of strategic targets, that is, in order to ensure crucial state programs and structural changes, the international commitments of the state, the needs of its defense, and the like. Ceilings on allocations should be set in the area of distributing material, foreign currency, and other resources that are in short supply; the extent of allocations should be adjusted in accordance with the needs of the economy and gradually curtailed, especially on the basis of results achieved in enacting the policy of balance and proportion;

-- Decisions on additional designed economically important investment projects and ventures of international division of labor, especially if these provide the foundation for key national economic structural changes;

-- Any substantial changes in prices; rates of exchange, remittances, taxes, and credits; valuation of capital assets; write-offs, and the like, contemplated by the state plan for the pertinent years of the 5-year plan;

-- Rules governing the further regulation of the development of these tools and principles of the price, fiscal, wage, investment, credit, and currency policy.

12. The economic plans of organizations must be drawn up on the basis of these mandatory specifications, rules, and designated tasks of the state plan; on the basis of the results of relations with suppliers and customers; as well as on the basis of knowledge about trends with regard to the requirements of the domestic and foreign markets. When respecting these conditions, organizations should be permitted to make decisions about the creation and changes of their economic plans. It is necessary to make sure that central agencies supervise and analyze the results of the creation and implementation of economic plans and that they adopt measures (such as changes in prices, subsidies, credits, and so forth) that are appropriate in order to meet the targets of the state plan, both general targets and those regarding individual branches, sectors, and products.

13. By enforcing a set of principles that promote the interest of organizations in progressive tasks of the plan, decisive conditions and economic pressure should be created for the plan and supplier-customer relations to be ensured as fully as possible by economic contracts. The quality of the fulfillment of these contracts must be fully projected into the final economic results of organizations, especially into the creation of disposable net income. Also the extent of the fulfillment of specific tasks must thus be projected into the extent of resources available to reward the entire collective of working people. Aside from this, the extent of the fulfillment of specific tasks will continue to have an impact on the remuneration of ranking personnel through the bonus system.

14. Through a system of forecast and long-term and medium-term plans and, above all, through their interlinkage and the gradual extension of their time frame, it is necessary to seek to reinforce the long-term view in planning and continuity of the planning process. [paragraph continues]

This should ensure the necessary headway in program-drafting both in the center and in economic organizations, especially with regard to programs in scientific-technical development, capital investment, and international division of labor. On the other hand, short-term approaches ought to be curtailed, especially in applying mandatory normative rules and regulations and in evaluating the results of the activity of organizations. This should establish prerequisites for their cost accounting [chozrascotni] responsibility on a long-term basis.

15. Routine regulation from the center to make sure that the economy operates in harmony with the targets, intentions, and proportions of the state 5-year plan is to be made part of enacting the principle of guidance by the plan under the conditions of a high degree of the organizations' economic independence. This regulation must be carried out in a uniform way and with a view to harmonizing the impact of all instruments of planned management. For this to happen, it is necessary to systematically analyze the development of the economy, to make use of the regulations for updating economic instruments and normative rules declared as part of the state 5-year plan, as well as to make essential adjustments in the area of allocations and specific tasks of the state plan. By means of this regulation, it is necessary to flexibly respond to deviations in the fulfillment of the state plan and to changes in economic conditions; basically, regulation should also replace today's itemization of annual executive plans. Changes in the state plan generated by the demands of organizations, which are now frequent, must be severely curtailed. A system of reasonable contingency reserves is to be set up at all levels of management.

16. When applying differentiated approaches to management for reasons that are objectively inevitable -- because of the specific conditions under which economic activity takes place or under which some branches operate, because a certain sector is being launched or phased out, when dealing with disparately equipped or poorly performing organizations, and the like -- it is imperative, as a matter of principle, not to use tools and methods that would lead to the deformation of prices, exchange rates, and individual efficiency criteria. As a matter of principle, this differentiation in management must be dealt with using such tools and methods as are commensurate with the nature of the causes of the specific conditions. These tools and methods should include, in particular, disparate setting of tasks and allocations by the state plan, state participation in funding strategic development programs, selective and redistributive credit policy, terms of investment, supplemental foreign trade instruments, differentiated profit margins depending, above all, on the efficiency of production, and the like, as well as a reasonable variety of organizational structures and forms.

17. Approaches to the control and evaluation of plan fulfillment (including the evaluation and wrap-ups of the results of economic activity) by overseeing agencies, territorial party agencies, and agencies of the Revolutionary Trade Union Movement as well as the demarcation of the responsibility of individual levels of management for plan fulfillment must be accordingly adapted to dovetail with the aforementioned principles.

18. Active use must be made of the value instruments to exercise control over the efficiency of all phases of the reproduction process. Above all, in planning production and distribution processes it is necessary to more perfectly ensure balance, proportionality, and harmony between supply and demand. By directing value instruments in a planned way, it should be ensured that they reflect as faithfully as possible trends in the quantity, structure, and standard of utility values and that they comprehensively promote these trends in keeping with society's needs.

By improving value instruments and continuously objectifying them, a common platform is to be established for a more reliable planning of effective structural changes and innovations in manufacturing and consumption, for a more objective orientation of material incentives and remuneration according to work results, and thus also for the application of full economic accountability. This improvement and objectification is to be based on the objective substance of value instruments and on their function in exercising control over efficiency and balance. This concerns, in particular, prices, exchange rate and currency instruments, terms of credit, remittances, and taxes. The aim must be to turn these instruments into essentially uniform national economic criteria and an integral part of the plan so that they can distinctly contribute to the creation of exacting and more balanced economic conditions for the operations of organizations.

19. Putting value instruments on an objective footing must be guided in a planned manner and must be ensured so that the following will be in harmony with the long-term planned proportions of the standard and the structure of social expenditure for the renewal [reprodukce] of production factors (that is, for accumulation, wages, and social consumption):

-- The type and the structure of prices, above all the method of planning the composition of net income in calculating prices that depend on the amount of social expenditure made for the renewal of individual production factors, as well as in respecting consumer's (domestic and foreign) perception of the utility value in term of the specific price;

-- Criteria-based remittances to centralized funds which reflect the required efficiency of production factors and which ensure the degree set by the state plan for the centralized funding of their renewal;

-- The system of allocations for the funds of economic organizations. These allocations are to correspond to the determined economic accountability funding of their needs.

20. To ensure tht value instruments are put on an objective footing in two mutually coordinated ways:

-- By perfecting the methods of one's own creation of these instruments, above all prices, remittances, currency rates of exchange, and instruments for issuing credit, in such a way that they express as reliably as possible the development of socially necessary labor costs together with the development of the usefulness of production, its volume, and its desired structure;

-- By substantially enhancing the active roles of the value instruments in creating and realizing plans; in the process of the creation of plans to proceed from the objective substance of the value instruments, and at the same time utilize the plan as the decisive instrument for directing their development.

21. As the necessary and primary prerequisite for embarking on the course of the process of putting the value instruments on an objective footing we must carry out a comprehensive restructuring of wholesale and procurement prices. Through this restructuring a marked step must be taken to make sure that the average net income calculated into prices in relationship to production funds proceed from the average long-term planned measure of their accumulation and, similarly, that the rate of remittances of manpower and that they promote the substitution of direct labor by technology. [paragraph continues]

Further, through this comprehensive restructuring it is necessary to ensure the objective regarding planned cost reduction, firming up and rationalizing [zracionalneni] the koruna's rate of exchange, and drawing closer the relations and levels of wholesale and procurrement prices, with prices abroad. In this way, prerequisites will also be created for applying the principle of self-financing and for eliminating undersirable subsidies and redistribution processes.

The restructuring of wholesale and procurement prices must be followed by a continuous updating of prices, by the differentiation of their ratios (profitability) according to the extent of the profitability of exports, and imports, according to the quality and the degree of production's technological sophistication. However, the main road to systematic objectification of prices must be seen in the pressure of the plan and instruments of material incentives on reducing social expenditure, with the broadest possible control of prices by users and consumers. Thereby prerequisites also must be established for being able to conclusively ascertain comparative advantages from the international division of labor.

22. It is necessary to set the koruna's exchange rate against foreign currencies more consistently on the basis of the level of domestic and foreign prices, proceed toward the application of uniform rates of exchange and toward currency convertibility regulated by the state. In connection with increasing the profitability of exports and perfecting the fiscal instruments, it is necessary to continuously strengthen the rates of exchange, perfect their function as a point of reference when comparing domestic and foreign labor productivity and use them as one of the instruments of defense against foreign inflationary influences making their way into the Czechoslovak economy.

23. It is necessary to link the perfection of value instrumets with the creation of prerequisites for restructuring the entire integration mechanism, especially the role of the collective currency (the transferable ruble), its multilateral transferability and convertibility, as well as the mutual convertibility of the national currencies.

24. The criteria for issuing credit and directing it into the fundamental areas for the creation and use of national income must be worked out in such a way as to more reliably reflect the fact that the monetary resources of organizations, the state, and the population are actually covered by goods and services, so that they more markedly contribute to ensuring the equilibrium of the Czechoslovak economy as it has been planned, and to ensuring the stability of the currency's purchasing power and the population's social certainties. The role of the Czechoslovak State Bank is to be adapted accordingly.

25. Providing credit to organizations, as well as their control by a bank must be consistently combined only with those criteria, remittances, norms, and tasks which are specified in the state plan, as well as combined with an organization's liquidity. It is necessary to strengthen the enterpreneurship function of bank branches and, on principle, not use credit to cover up shortcomings in management and the permanent need for working capital, but use them for the most efficient aspects of an organization's activity, and also be cover a temporary lack of liquid assets. At the same time it is necessary to enhance the role of credit to support an organization's effective development plans and the structural and innovative changes connected with them.

26. Putting the entire complex of value instruments and especially prices on an objective footing must be closely connected with the programmatic, planned ensuring of global and structural economic equilibrium in the sphere of personal and social consumption of the population, of production input, investment, manpower, and payment relations with foreign countries. [paragraph continues]

It is necessary also to create appropriate prerequisites by having a balanced state budget, by an economical use of its resources, and by putting a more effective, planned pressure of domestic economic relations on the development of social labor productivity in the CSSR.

27. A more consistent use of the principle of distribution and remuneration according to the final results of work must be oriented, above all, toward fundamentally raising the effectiveness of all stimulative systems on the level of economic organization, work collective, and individual. The deployment of social resources must be oriented toward the most effective directions of the national economy's development. It is necessary to go from the still predominant distribution according to individual indicators or conditions over to distribution according to uniform, objective social effectiveness criteria. In accordance with the socialist character of production relations, it is necessary to centrally determine the basic rules and proportions for the creation and utilization of these resources.

28. Through fundamental uniformity, especially of norms, remittances, and other rules for the distribution of resources, it is necessary to create decisive prerequisites for an objective differentiation not only in earnings within organizations but, above all, in all incomes, and thus also the average earnings among organizations. Moreover, it is necessary to apply the economic accountability dependence of an organization's entitlements on its real contributions to society. When going over to a desirable type of differentiation in distribution, it is necessary to create exacting criteria and a socially more just economic environment as the fundamental condition for the transition to the intensive type of development. it is necessary, on the basis of predetermined norms and essentially uniform criteria, to more objectively assess the differences in the results of an organization's management, distinguish lagging and progressive production programs, allocate resources intelligently, and stimulate socialist entrepreneurship, competitiveness, and initiative. In order to carry out the structural goals of the state's economic policy, it is necessary to utilize differentiated instruments to support or phase out certain sectors and productions.

29. In the sphere of wages it is necessary to continue applying, throughout the economy, uniform tarifs for the creation of basic wages according to work done, and, more than ever before, to strengthen the role of those wage components which are connected with genuine merit and with the final results of the activity of individual, work collectives, and organizations for society (wage components based on results). At the same time, it is necessary to strengthen the influence of economic results arising from the involvement in the international labor division not only on an organization's funds, but also on wage component based on results. Until reliable prerequisites for a meaningful functioning of the value instruments have been created, it is also necessary to consider regulating the overall volume of wages. To do this, it is necessary to utilize the dependence of the wage development on the development of net production (for example, using the increment method), provided an organization has created disposable resources of net income; and as a variant to make use of the dependence of the wage increment (eventually the increment of final wages only) on the increment of net income.

30. It is necessary to substantially increase the powers of organizations when it comes to determining the way resources will be used, and to purposefully strengthen the participation of the collectives of the working people in this sphere, especially through their participation in the creation, as well as realization of economic plans and social programs of organizations, by developing the brigade forms of the organization of work and remuneration, the tasks of collective agreements, and the like. It is necessary with the system of distribution to preferentially ensure an expanded renewal of socialist ownership and central plans both in proportions and the paces of the growth of individual and social consumption.

31. The distribution of incomes of organizations, especially of wages depending on their economic results, must be more efficiently connected with:

-- The distribution of the funds of social consumption, especially in the sphere of health care, recreation, education, old age and health insurance, and the like;

-- Changing the structure and ensuring the retraining of workers [pracovnici];

-- Social benefits in the sphere of worktime, annual leave, and the development of other elements of the social program.

The mutual proportions and forms of remuneration according to work, social income, and benefits, must be reassessed and perfected, especially taking into consideration the achieved of the standard of living level as well as wage differentiation, changes in the structure of the interests of the working people and, in particular, these proportions and forms must ensure a more effective influence of the entire social program on the intensification of the Czechoslovak economy.

32. With a complex of criteria, tasks, and instruments, it is necessary to implement more progressive conditions than those corresponding to the current average efficiency of Czechoslovak organizations. The differences in the measures of the effectiveness of organizations (regarding profits and losses), which will arise especially in the first years following the implementation of these Principles, must be made use of as the necessary starting point so that the causes of the differences in the incomes of organizations and the shortcomings in their management [hospodareni] can be exposed. Corresponding time-limited programmatic measures must be adopted.

33. It is necessary to work out procedures [postupy] against organizations that have been operating poorly for a long time. The following will be involved: Consolidation programs, special regimens of management including bank controls, the use of a higher proportion of the center's directive measures, the rescission of production programs, changes in the cadre sphere, retraining, relocation of employees, and the like, all the way to the loss of an organization's economic accountability independence and its incorporation into another unit. At the same time, the principle must be observed that there must not be solutions to the detriment of the social certainties the working people are entitled to.

34. The principles of restructuring the economic mechanism and, in particular, its priority orientation toward social effectiveness, must be fully projected also into the intra-enterprise economic accountability, organization, and management. It is necessary to ensure that every subdivision [utvar], management component, and collective is interested in and responsible for the social contribution of its work, and responsible for seeing the consciousness of a manager strengthen among the working people. From this viewpoint it is necessary, above all, to consistently demarcate the tasks of all intra-enterprise components and their mutual relations and cooperation. Particular attention must be paid to those subdivisions which ensure scientific-technical development, the realization of technological and product innovation and raising the quality of production, and which ensure the smoothness of the processes of research, development, production, supply, and marketing. At the same time, it is necessary to set precedents for most completely breaking down the in kind and value aspects of the tasks of the economic plan to the internal subdivisions of organizations; in bookkeeping, making it possible to follow and evaluate the efficiency of their activities; in quality of production calculations and all technical-economic norms [sentence as published] [paragraph continues]

It is necessary to connect the internal organizational structure of economic units and introduce the brigade forms of the organization of work and remuneration.

35. It is necessary to proceed from the fact that the moral appreciation of the results of work, together with their material remuneration, will acquire an ever-increasing importance. The assessment and the evaluation of the results of the work of managing cadres and their appointments, as well as their remaining in leading functions, must more strictly depend on the long-standing success of the sectors they manage, and with the quality of their direct management and organizational work and commitment when asserting social interests. One has to demand that ranking personnel be the model when it comes to asserting the new style of work, overcoming conflicts connected with the restructuring of the economic mechanism, and strengthening work discipline and socialist ethics.

In accordance with these views, we must increase the demands on the selection, training, and assessment of cadres at all levels of management.

36. In the process of restructuring the economic mechanism, we must fully utilize the creative initiative of the working people and the development of higher forms of their collectives' participation in management. Our beginning assumption should be that intensification of the socialist economy and an effective assertion of the results of the scientific-technical development in practice are possible only when they are implemented by people having a high degree of initiative and political awareness, by people who are interested in improving organization, order, and discipline at all worksites, and who are morally as well as materially fully interested in the economy's effective development.

37. The strategy of the acceleration of the socioeconomic development through the intensification of the national economy, relying on speeding up the pace of scientific-technical development, structural changes, and joining the socialist economic integration, in unity with the restructuring of the economic mechanism, logically also increase the demands on the party's leading and control role, on the forms and methods of its application. This requires that the party leadership ensure a united and coordinated course of all agencies and organizations, responsible political ideoeducational and pragmatic preparation for the restructuring of the economic mechanism so as to make the changes that have been carried out become a significant factor of our socialist society's development. At the same time, in context of the measures already adopted, it is necessary -- before implementing the entire complex of changes related to these principles -- to make more determined use of all possibilities provided by the existing system of management, the valid laws and regulations, to substantially improve direct management and organizational work.

By strengthening the party's leading role, it is necessary to ensure the growth of responsibility and initiative, and create the necessary room for the activity of state, economic, and social agencies and institutions when carrying out the socioeconomic tasks of the party policy, thereby strengthening the party control. At the same time, we must put stress on increasing the personal responsibility of economic personnel for the realization of the strategic objectives which express the interests and the needs of the entire socialist society.

The activity of all communists, of all party, state, economic, and social agencies and organizations must be oriented toward a consistent elaboration and comprehensive introduction of the adopted measures in practice.

The Presidium of the CPCZ Central Committee and the CSSR Government have entrusted the appropriate agencies and institutions with the task of working out, on the basis of these principles, a comprehensive document aimed at restructuring the economic mechanism in such a way so that it can be published by the end of 1987 at the latest. In harmony with the progress of work on this document, concrete steps will be undertaken this year already, aimed at restructuring the economic mechanism with the objective of contributing to the fulfillment of the Eighth 5-Year Plan. The entire set of changes in the economic mechanism will be implemented in the national economy in such a way that it can be fully used when drawing up the Ninth 5-year Plan.

' Principles' Not Final Word

AU161543 Prague RUDE PRAVO in Czech 12 Jan 87 p 1

[Editorial: "Restructuring the Economic Mechanism"]

[Excerpt] [Passage omitted] The approved "Principles for Restructuring the Economic Mechanism of the CSSR" apply to the economic mechanism as a whole as well as to its main constituent parts. The actual process of restructuring the economic mechanism is perceived as an open one, as a process involving risks, conflicts, and possible corrections of some solutions. All of this places particularly great demands on the drawing up of a comprehensive document on gradually restructuring the economic mechanism of the CSSR and on its introduction into practical life. This entire process is a matter of utmost sociopolitical and social importance. As an integral part of the party's economic policy, it must therefore become the task of all party agencies, all party members, and all working people.

The work on the comprehensive document on restructuring the economic mechanism must be completed early enough for it to be published by the end of this year at the latest. This will enable us to apply some of its parts in the course of the Eighth 5-year Plan and to have the document as a whole influence the preparation of the subsequent 5-year plan, in which it will apply in its totality. The gradual transition of designated organizations to the entire set of conditions within the framework of an experiment will permit them to obtain the necessary experience and it will also permit the other organizations to orientate themselves toward the new perception of the tasks that are in store for them. That is why all the partial documents approved thus far should be applied in our economic practice with a high sense of social and political responsibility and should simultaneously become a school preparing the working people for the new conditions under which the economy will operate, conditions whose aim is to achieve a notable rise in efficiency.

TRADE UNION CONFERENCES CONTINUE IN PRAGUE

Kapek Address

LD172154 Prague Domestic Service in Czech 1730 GMT 17 Jan 87

[Excerpt] [Passage omitted] Comrade Antonin Kapek spoke today at the Prague trade union conference in the Palace of Culture. He thanked those work collectives which were at the forefront of the effort to fulfill the qualitative indicators of the state plan and to make up for shortfalls in production in Prague's industry.

Speaking about supplier-consumer relations he said:

[Begin Kapek recording] I give the Prague Trade Union Council this to think about: Could we not at least give an example to ourselves in the capital city of Prague and in principle arrange supplies in such a way as not to pull the rug from under each other's feet. Avia Prague has problems when they do not get forged parts from Sokolovo or cast parts from CKD. Busses can't run without spare parts from Prevodovky or Avia. There are thousands of such interdependencies. Economic workers have so far not been equal to these tasks. I ask you to consider: Could we in Prague not begin by ensuring that we ask ourselves in every enterprise how we are fulfilling things for our Prague enterprises, look for methods of competition and economic agreements and activity of economic workers, so that we can at least fulfill tasks among ourselves and thus give an example to other enterprises and factories.

The older ones among us remember how trade unionists and economists put forward a collective agreement to the workers and with it the technical organizational measures. The main engineer of the factory and all managers had respect from and authority over the work force because it concerned itself with reducing work difficulties, improving technology, and there were regular checks.

Today we are concerned with the modernization of our factories. The factories can and should make more checks, but what is missing is the signature and responsibiity of higher management. The Central Council of Trade Unions should also ask for greater responsibility from ministers for complex modernization taking place on time so that we do not only talk about science and technology but truly support it in practice. [end recording] [passage omitted]

Hoffman Address

LD182322 Prague Domestic Service in Czech 1730 GMT 18 Jan 87

[Text] Comrade Karel Hoffmann spoke in today's discussion at the trade union conference in the Palace of Culture in Prague. We have selected the following from his address:

[Begin Hoffmann recording] It is only by constantly perfecting trade union work that we may successfully implement all the roles and develop the external influence of trade unions in which, in the long run, the role and possibilities, ability to act, and influence of the trade unions organization will be reflected. That is why it is necessary constantly to analyze the standards of trade union activity, to assess it critically, to persevere in perfecting it, not to hesitate to assess critically even those results which clearly demonstrate the totally positive conclusions.

By issuing the Prague appeal, Prague has gained indisputable merits in the development of creative initiative aimed at scientific-technological development. Its significance has already been convincingly demonstrated by some large economic organizations. Although we take into account the fact that the contribution of this initiative will be fully manifest only after a certain time, judging by the fulfillment of those indices of the plan which it should be influencing above all, one cannot express satisfaction with the present results. The extent of the urgency of the Prague appeal is demonstrated, among other things, by findings of the Czechoslovak State Bank, which show that every koruna spent on scientific-technological development yields only 41 halers of economic earnings in Prague. And as for expanding the initiative of the Central Council of Trade Unions, then, according to the data from the second half of last year, only 24 percent of primary organizations were involved at that time, and 37 percent of socialist labor brigades. In my opinion, this situation is totally unacceptable and cannot be at all justified.

The meaning of the initiative of the Central Council of Trade Unions was not only to contribute toward fulfilling the plan and filling some sort of gaps in the individual organizations, but, above all, increase, in comparison with the plan and over and above plan, the productivity of labor by 11 percent, to increase markedly the share of higher quality products, and to lower material expenditure by 0.5 percent in the entire extent of our national economy. If we do not achieve this within the framework of the entire economy, we will not have achieved our set aim. Everyone can figure out by themselves how the fulfillment of the initiative of the Central Council of Trade Unions will markedly strengthen the possibilities of social measures in our country, what it will mean for the fulfillment of the strategy of speeding up our progress.

Last year demonstrated that despite all the problems and obstacles, the aims of the initiatives of the Central Council of Trade Unions are realistic; they were, and easily can be, overfulfilled in some organizations. These organizations have proved that this is in the interest or accelerating the socioeconomic development of Czechoslovakia. That is why we are obliged to embark upon a substantially more resolute struggle for the fulfillment of the conclusions of the 16th plenary meeting of the Central Council of Trade Unions and for implementing initiatives in all labor collectives, and in particular, in brigades of socialist labor. [end recording]

Adopt Resolutions

LD182328 Prague Domestic Service in Czech 1700 GMT 18 Jan 87

[Text] The 2-day regional and town trade union conferences ended today by adopting concluding documents and electing new organs. The adopted resolutions stipulate increasing the share in fulfilling the tasks of the Eighth 5-Year Plan, which presupposes a deepening and strengthening participation of the working people in management, and creation and control of national economic plans. They recommend that trade unionists develop the initiative of the Central Council of Trade Unions which must be reflected in socialist competition as increased productivity labor, economies, and quality of production. The social program of the resolutions stipulates that trade unionists increase efficiency of control in the sphere of safety and protection of health of the working people, that they help in the growth of qualification and improving the care of the health of the population, as well as the work environment.

FEDERAL GOVERNMENT MEETS ON CEMA COOPERATION

AU201447 Prague RUDE PRAVO in Czech 17 Jan 87 pp 1, 2

[CTK report: "Federal Government's Deliberations: Support for Measures on Developing Cooperation Among CEMA Countries"]

[Text] Prague (CTK) -- The federal government at its session discussed the report on the preparation and orientation of contents of the 122d CEMA Executive Committee's Session which will open on 20 January in Moscow. The government expressed appreciation of the session's program, according to which the session will discuss, inter alia, the draft of an information system for organizing the observation of the fulfillment of the Comprehensive Program of Scientific-Technical Progress of CEMA Member/states Up to the Year 2000. This will make it possible to systematically check on the course of the realization of economic and scientific-technical cooperation.

In connection with the CEMA Executive Committee session, the government dealt with the fulfillment of tasks following from Czechoslovak participation in the construction of the Krivoy Rog Enrichment Combine, stressing that it is necessary to clarify certain issues so that the costs for facilities which are being built by Czechoslovak enterprises would not rise.

The government expressed support for the measures proposed by the Executive Committee for adhering to the consummtion and set deliveries of electric power and for enhancing the reliability and efficiency of the parallel operations of the USSR's unified power grid and the interconnected electrification systems of CEMA member-states, as well as for the measures for removing delays in work on robot production, including robots for nonenginerring workplaces.

The government regards the draft of the basic document on setting up and implementing a system for appraising the quality and certification of products delivered by one CEMA member-state to another, as well as the draft document adjusting of the organizational-methodological, economic, and legal foundations of the operation of this system, as a contribution to the improvement of the technical standards and quality of production.

The government expressed support for the measures submitted by the CEMA Executive Committee on the intensification of the CEMA member state's cooperation in water economy; on the consolidation of the financial position of the International Bank of Economic Cooperation and of the International Investment Bank; and on the development of higher forms of cooperation in the sphere of foreign currency and financial policy.

The government also discussed the results of the 27th session of the Intergovernmental Czechoslovak-Soviet Commission for Economic and Scientific-Technical CSSR-USSR Cooperation in the Period Up to the Year 2000. In this context the government stressed the need to be more enterprising and purposeful in establishing direct production and scientific-technical relations between Czechoslovak and Soviet organizations, including the establishment of joint scientific-production associations, and in organizing efficient checks on putting these new progressive forms of cooperation into practice.

In discussing the results of the 27th session of the Intergovernmental Czechoslovak-Soviet Commission for Economic and Scientific-Technical Cooperation, which also assessed the implementation of the results achieved in cooperation in engineering, electronics electric engineering, and the chemical industry, and the participation of Czechoslovak production enterprises in the construction and reconstruction of industry in the USSR, the government stressed the need to promptly deliver spare parts and to improve the technical standards and quality of the machinery and consumer goods delivered. In this respect, a number of shortcomings have been noted on both sides; they show that many producers still do not devote primary attention to these issues.

The government expressed agreement with the proposal submitted on Czechoslovakia's participation in the construction of the 2500 broad-gauge track for the Novolipetsk metallurgical combine in the USSR. It underscored the importance of this project for the fulfillment of of important integration investments, and its significance for the further development of CSSR-USSR cooperation in heavy engineering; it approved a resolution aimed at immediately starting preparatory work on the designing and production of the necessary equipment.

In view of the problems and difficulties caused in some parts of the republic by deep frost and by snowstorms, the government also dealt with deliveries of fuels and energy to the national economy and to the population; with railroad and bus transportation; and with the functioning of shops and services. [paragraph continues]

It expressed appreciation for the devotion and efforts of thousands of workers -- especially miners, the staffs of electric power stations and gas works, railroad men, the employees of road transportation, and members of the Czechoslovak People's Army; it stated that the situation in the threatened sectors is gradually improving. It instructed the branch ministries to undertake further operational measures in cooperation with the appropriate national committees so as to minimize production losses, make up for shortfalls in railroad transportation, and regularly supply the population with electricity, gas, heat, foodstuffs, and other consumer goods.

The government approved the proposal to conclude an agreement on setting up an international organization of the CEMA member-states -- the INTEROKEANMETALL -- which would be aimed at establishing cooperation in prospecting, research, and industrial use of manganese iron ore from the sea floor.

The government also expressed agreement with the proposal to sign and ratify the International Accord Against Apartheid in Sports which was adopted by the UN General Assembly toward the end of 1986. The substance of the accord lies in the condemnation of apartheid and in the commitment of the participating states to adopt effective measures for eliminating racial discrimination in sports, in all its forms.

PARIS PAPER ON VIETNAMESE WORKERS IN CSSR

PM091002 Paris LE MONDE in French 7 Jan 87 p 4

[Louise Victor dispatch: "Immigrant Workers on 'Patriotic Mission'"]

[Text] Prague -- Hoang is Vietnamese. He arrived in Prague in 1981 as an apprentice, and he now sells shoes. He has done very well. What is even more unusual is that he has married a Czechoslovak who has thus become Mrs Hoangova. His marriage finally enabled him to leave the Vietnamese workers' hostel in which he had been living for 4 years. Mr and Mrs Hoang, who are expecting a child, live in a housing development in a Prague suburb. Is this a case of successful integration? It is more like the exception to the rule. Generally speaking, "fraternal workers" from Vietnam are not there to "put down roots."

Hoang had to pay a fortune to be able to remain in Czechoslovakia: 46,000 koruna, or Fr37,000, paid to the Vietnamese state as compensation. This is because Vietnam sent him to Czechoslovakia to return as a skilled worker and give the country the benefit of his training. Aside from this "exception," more than 30,000 Vietnamese, men and women, are working in Czechoslovak industry for a 4-year period.

For instance there are the two Minhs. They come from north Vietnam. They have the same name, served together in the regular army, and have stayed together ever since. They are now 26 years old and are working together in a paint shop at the Skoda car works. They are working there, they said, under the terms of "a cooperation agreement between Auto-Skoda and Auto-Badinh -- the Vietnamese spare parts industry."

Is this compulsory or voluntary labor? The reply was ambiguous to say the least: "We are on a patriotic mission, we are here to acquire the experience of developed countries, it is a duty and a mission we must accomplish to help our country."

But what if it came to a choice between Czechoslovakia and Vietnam? "Life is always better in your own country," they replied.

The Minh brothers have reservations. They were educated in the party line and cite Marx frequently and, although they show some signs of having reservations, they do not complain openly about their lot. What do they earn? They earn 2,500 koruna, and the average wage for a Czechoslovak is 2,800 koruna. How much leave do they have? They have 2 weeks per year. In addition there are plans for a study trip to the GDR, organized by the factory.

What about their emotional life? At first, in other words at the end of 1980, Vietnam only sent men. For the past 2 years Czechoslovakia has also accepted young female Vietnamese workers. In Mlada Boleslav, where the Minh brothers live, there was 1 Vietnamese woman to 10 men. Of course the workers' hostels are not mixed. Although you see many Asians on the streets of Prague at the weekend, you never see any children. As soon as a female worker becomes pregnant, she is sent home.

There is not much talk about immigrant workers in Eastern-Bloc countries. And yet the International Federation for the Rights of Man was concerned about the lot of hundreds of thousands of Vietnamese who are working or have worked in Czechoslovakia. Of course the question was whether or not they were being forced to work there. The matter was referred to the ILO which asked the Czechoslovak government for permission to conduct an on-the-spot investigation. That was 3 years ago. There was never any reply. Moreover, how can the truth be obtained? Contact with the Vietnamese is virtually impossible without one of their compatriots acting as intermediary. And of course the latter must be a good Communist.

At the exit to a cinema in Wenceslas Square, Prague's Champs-elysees, one Saturday afternoon, a discussion started about the film "Cotton Club." Loy and Binh eventually asked us to dine with them: They live in a hostel for 1,000 workers in the suburbs, it is clean and modern and of the same standard as the Sonacotra hostels. You have to leave your passport with the janiotor. Our hosts cooked a Vietnamese meal in their room with the resources available: It is not easy to cook imperial noodles with the ingredients you can buy in a Czechoslovak grocery.

The television provided background noise, it was showing a Soviet spy movie. During the meal a friend called to offer to sell a few of the latest electronic watches from Hong Kong. We were asked whether we had any dollars or a camera to sell. Our hosts were on their guard but tempted by the possibility of doing business. The room was full of junk, there were sewing machines, radios, bicyle tires... There was enough to make them "good catches" when they went home.

In Czechoslovakia it is the Vietnamese who run the black-market trade in discs, cassettes, and watches. This is one of the reasons why the Czechoslovaks blame "their" immigrant workers for all the country's problems. "Is there a shortage of bicycles? It's not surprising, the Vietnamese buy them and take them home," they say.

This is just one of the rumors circulating in the country. Here are some others: A Vietnamese apparently killed a Prague doctor with an ax because he refused to certify him unfit for work; or, better still, the Vietnamese are alleged to have spread plague in the country.

An Ideal Labor Force [subhead]

The origin of this "organized" immigration is an agreement signed at the end of 1980 between the Czechoslovak and Vietnamese governments, under the terms of which young Vietnamese are employed in the fraternal country and receive a 4-year period of training as skilled workers. They are found in the chemical, textile, steel, and automobile industries. They are often employed in dangerous jobs. They are employed in places where they are not seen: They are never seen on a subway platform with a broom in their hands, or in the street working a pneumatic drill. You see some Vietnamese women working as nursing auxiliaries in hospitals, but these immigrants are deliberately kept behind the scenes.

Czechoslovakia, which is far from having reached the age of automation, has a shortage of labor. Women are urged to work. In the automobile industry, women make up 40 percent of the work force. Another problem inherent in the socialist system is that because employment is guaranteed, the worst jobs remain vacant. In these circumstances, the Vietnamese provide ideal supplementary labor which is cheap, malleable, and politically reliable.

Petr Uhl, one of the dissidents who founded Charter 77, goes so far as to say that the presence of the Vietnamese is a stabilizing factor for the government. "The Asians do the dirty jobs and this prevents conflicts between Czechoslovak workers and the authorities." He also said that these immigrant workers are virtually held to ransom. His "contacts" told him they were paying 15 percent of their wages to the Vietnamese state and 15 percent to the Czechoslovak state. Petr Uhl is not the only one to explain their presence in economic terms.

Vietnam has a large trade deficit with Czechoslovakia. First, it has not finished paying its war debt. Hanoi defeated Saigon thanks to aid from all the "fraternal countries." Not only has this debt not been repair, but is has grown bigger. Czechoslovakia is still sending arms, manufactured products, and experts. This summer a draft agreement was signed for the supply of locomotives.

What can Vietnam offer in exchange other than labor? Moreover the Czechoslovak authorities are contemplating setting up factories in Vietnam to use the local labor force. But there is a major disadvantage which is holding back the government for the moment: In Vietnam it is impossible to "choose" the workers. It is selection which makes the system reliable. The Vietnamese workers in Czechoslovakia are aware that they belong to an elite, especially because their compatriots who are sent to the Soviet Union, Bulgaria, and, to a lesser extent, the GDR, have much more difficult living conditions. In Czechoslovakia you have a reasonable living standard and can save some money, and these advantages guarantee the silence and docility of this labor force. If you were born in Hanoi and grew up in a war-torn country, Czechoslovakia is the West.

GDR FINANCE MINISTER TALKS WITH COUNTERPART

AU201136 Bratislava PRAVDA in Slovak 19 Jan 87 p 2

[CTK report in the "International Contacts" column: "The Ministers' Deliberations"]

[Text] Jaromir Zak, CSSR minister of finance, and Ernst Hoefner, GDR minister of finance, have discussed in Usti nad Labem issues which will aid the further intensification of mutual economic cooperation. The meeting, which was held in a friendly working atmosphere, was attended by Karl-Heinz Schenk, economic counsellor of the GDR Embassy in the CSSR.

HAVLIN CONFERS WITH SYRIAN BA'TH DELEGATION

AU201150 Prague RUDE PRAVO in Czech 17 Jan 87 p 2

["(Z)"-signed report: "On the Collaboration of Party Schools"]

[Text] Prague (Z) -- Josef Havlin, CPCZ Central Committee secretary, received on 16 January in Prague a delegation from the Higher Institute of Political Sciences of the Socialist Party of Arab Revival (Ba'th) of Syria, headed by the school's rector, Sulayman Faris [spelling of name as published].

In a friendly discourse Josef Havlin briefed the guests on the realization of conclusions adopted by the 17th CPCZ Congress; on the economic and political situation in the CSSR; and on the next tasks in ensuring the country's economic and social development.

The talks also dealt with the issues of further developing cooperation between the Higher Institute of Political Sciences and the CPCZ Central Committee's Advance School of politics in pedagogical and scientific-research activities.

The reception was attended by Lalislav Novotny, rector of the CPCZ Central Committee's Advanced School of Politics.

BRIEFS

COLOMBIAN ENVOY ENDS MISSION -- Marino Jaramillo Echeverri, Colombian ambassador the the CSSR, "definitely" left Czechoslovakia on 13 January. [Summary] [Bratislava PRAVDA in Slovak 14 Jan 87 p 2 AU]

COOPERATION WITH POLISH JOURNALISTS -- Marcel Nolc, central secretary of the Union of Czechoslovak Journalists, and his Polish counterpart, Andrzej Ziemski, signed a protocol on cooperation in 1987 in Prague on 13 January. [Summary] [Bratislava PRAVDA in Slovak 14 Jan 87 p 2 AU]

HONECKER, CPSU'S DOBRYNIN DISCUSS ISSUES

LD202340 East Berlin ADN International Service in German 1759 GMT 20 Jan 87

[Text] Berlin, 20 Jan (ADN) -- Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, received Anatoliy Dobrynin, secretary of the CPSU Central Committee, for a talk on Tuesday. The Soviet guest conveyed fraternal greetings from Mikhail Gorbachev, general secretary of the CPSU Central Committee, which Erich Honecker very warmly reciprocated.

Erich Honecker gave a positive evaluation of the development of the relations of friendship and cooperation between the SED and CPSU in line with the results of his meeting with Mikhail Gorbachev at the beginning of October 1986. The close cooperation between the two parties confirmed their agreement regarding the basic questions of international politics and socialist construction. Their economic and scientific-technical cooperation, in line with mutual agreements, reached a high degree of intensity and efficiency. For the Communists of the GDR, Erich Honecker stressed, the unshakeable militant association with the Soviet Union is and remains a principled issue of their class standpoint.

Through the active strengthening of friendship with the party and country of Lenin, they will celebrate the 70th anniversary of Red October in this spirit.

Erich Honecker informed his guest about the good results achieved in 1986 in fulfilling the decisions of the 11th SED Congress. The experiences gathered over the past months emphasized that the GDR's dynamic development in the domestic and foreign sphere can be continued on this path. The GDR working people have full confidence in the steadfast continuation of the SED's economic and social policy, and work resourcefully for further increasing the performance of the economy. This was convincingly demonstrated under the difficult conditions of the unusual cold and frost.

The further strengthening of socialism in the GDR, the USSR and every fraternal country, the purposeful building of their cooperation are of decisive importance, precisely in the continued tense and dangerous international situation, for the maintenance and preservation of peace. The SED thus recognizes its responsibility to its own, and to the other peoples. It makes an active contribution to the implementation of the peace policy of the socialist community of states and helps, through dialogue and a willingness to reach understanding, to strengthen the preconditions for a worldwide uniting of all forces of reason and realism that have an interest in preservation of peace. It fully and completely supports the beneficial foreign policy line of the 27th CPSU Congress and the far-reaching Soviet initiatives for halting the arms race and for disarmament. For the implementation of the principle of equal security for all and for the solution of global problems and local conflicts. The Reykjavik meeting had shown totally new perspectives for an agreement on the most important human right of all. There must be no return to the situation before Reykjavik. The SED, the socialist German state, will work to this end with all its might.

Anatoly Dobrynin reported on the CPSU's steadfast struggle to realize the decisions of its 27th congress. He referred to the successes in industry and agriculture achieved in 1986, which must be consolidated in 1987. Proceeding from the pioneering program announced by Mikhail Gorbachev on 15 January 1986 on freeing mankind from nuclear weapons before the turn of the century and on implementing the other far-reaching disarmament initiatives, the CPSU unswervingly and energetically continues its efforts to prepare the way in the world for a secure peace and equal coexistence of peoples.

The two men expressed their conviction that the fraternal and friendly relations between the two parties and their leaders would continue to develop purposefully in all spheres.

The talk was attended by Hermann Axen, Politburo member and secretary of the SED Central Committee; Guenter Sieber, member of the Central Committee and head of the International Relations Department of the SED Central Committee; and Vyacheslav Kochemasov, member of the CPSU Central Committee, USSR ambassador extraordinary and plenipotentiary in the GDR.

HONECKER NEW YEAR ADDRESS STRESSES PEACE

AU201406 East Berlin NEUES DEUTSCHLAND in German 17-18 Jan 87 p 1

["Text" of speech by the general secretary of the SED Central Committee and GDR state chairman, Erich Honecker, at the New Year reception for the diplomatic corps on 16 January in Berlin headlined: "In the Future We Will Also Work for Peace With Reason and Realism"]

[Text] Mr Doyen, Mesdames and Messrs ambassadors and charges d'affaires; comrades and friends;

I would like to thank you, doyen, and all member of the diplomatic corps very cordially for your greetings and good wishes for the New Year.

If one looks back at the international events of the past year, they were months of tireless struggle by the peace forces throughout the world for disarmament and detente, and to improve international relations. This has contributed towards preserving world peace.

Socialist peace policies have contributed toward rousing world consciousness even more strongly against the danger of a nuclear catastrophe. In 1986, which the United Nations declared the International Year of Peace, the GDR played its part toward defusing the situation in Europe in particular, toward helping to bring about concrete measures aimed at disarmament and normal, predictable, international relations. With confidence in the force of reason and dialogue we are continuing these efforts. It is necessary to avert the danger of a war and to secure a peaceful life for our people and all others.

At the start of the New Year one cannot fail to note that much is wrong. Contrary to all understanding, the arms race is being continued, indeed it threatens to spread to new spheres. Conflicts and wars in various parts of the world have not been eradicated. Hunger, death, and misery are the results.

However different the problems may be which the states and their political leaders face, they all have obligation: Not to allow the world to be extinguished by a nuclear war. That is the yardstick for everyone and for all politicians. The most effective step would certainly be to eliminate all nuclear weapons, because they have become the most terrible scourge of history. The world needs not more weapons but more understanding.

Like the overwhelming majority of states, the GDR welcomes what appeared in Reykjavik as a possibility. The task is to make this a reality. The only way to prevent the arms race in space and to end it on earth in all types of weapons, is through political dialogue. That cannot be replaced by anything else.

The proposals put forward by Mikhail Gorbachev to liberate the world from all nuclear weapons by the year 2000, and the proposals made by the states of the Warsaw Pact for conventional disarmament from the Atlantic to the Urals are a sensible basis for understanding. The considerations of the Palme Commission for a nuclear weapon free corridor have been taken up by us, just as we are prepared to search jointly for ways of tangibly defusing the international situation, for concrete disarmament steps and normal international relations. It is only consistent that the new initiatives by the six states should also have been positively taken up to the GDR.

As a European state, the GDR regards the concerns of this continent with particular attention. With the successful conclusion of the Stockholm Conference on Confidence Building Measures and Security and Disarmament in Europe, an important step has been made to reduce the danger of the outbreak of war. Through the concluding document of Stockholm the potential for trust can be preserved and effectively expanded. The GDR acts in this spirit. At the Vienna follow-up meeting the GDR is one of the states which favor exhausting all the opportunities for agreement on measures aimed at arms limitation anid disarmament and favor expanding equal cooperation between states in all spheres through new agreements.

The CSCE process and the Vienna meeting offer, we are firmly convinced, a real opportunity for the rivial of detente. If it is utilized by everyone it will not merely benefit Europe.

The GDR people look to their future with optimism. It is certain that the fraternal alliance with the Soviet Union and the other socialist states is a secure foundation for the successful development of our country. The GDR will actively help to shape the new phase of relations among the socialist states.

Friendly relations, which we shall continue in future to cultivate and develop, link us with the states and peoples of Africa, Asia, and Latin America. The GDR supports the efforts for the creation of a new international economic order on the basis of equality. In the struggle for a just and peaceful world, as expressed also in the decisions of the Harare conference, the states and peoples of these continents will always have a reliable partner in the GDR.

The GDR regards peaceful coexistence as a viable basis for mutually advantageous cooperation. The better the states in the world get along with one another, the better will dealings flourish and the greater peace will profit, for peoples and mankind. In its policy toward states with different social orders, the GDR remains committed to this principle.

The successful policy, of our socialist state aimed at the welfare of the people, is characterizing the development of the country to an increasing extent. We have taken on much in the coming period. Dynamic economic growth, combined with increasing prosperity, will again determine the GDR's profile in the coming years. You will also see this confirmed, ladies and gentlemen, in the development of Berlin, which celebrates its 750th anniversary this year.

Mr Doyen, Mesdames and Messers ambassador and charge d'affaires;

I would like to sincerely thank you for your responsible particpation in the development of relations between the GDR and the states which you represent. The GDR will remain a predictable partner to all. It will continue to work with good will in the future with reason and realism for peace and international understanding. May the world become more secure in 1987.

I would like to ask you to convey my best greetings and wishes to your heads of state, governments and peoples on the occasion of the New Year. I wish you, lady and gentlemen ambassadors and charge d'affairs, comrades and friends as well as your families, a healthy and successful 1987.

MINISTER DISCUSSES MACHINE TOOL DEVELOPMENTS

DW201130 [Editorial Report] East Berlin Domestic Service in German at 1600 GMT on 14 January carries a 50-minute recorded "Listeners Forum" featuring Minister for Construction of Machine Tools and Processing Machinery Rudi Georgi answering listeners' questions. He says that 1986 was very successful, saw high rates of increase in the industry, and that all combines are well prepared for the new plan year. However, current weather conditions with extremely low temperatures have been causing serious energy problems. Therefore "extraordinary measures" have to be taken "in close cooperation with the energy combines, the labor unions, and local authorities."

Asked about the latest achievements in machine building, the minister notes the high rate of innovation, which in 1986 amounted to 30 percent, and then draws special attention to a new grinding machine, which is now being produced in series.

Answering a question about the development of automated flexible production systems, Georgi explains that in such systems "micro-electronics are as well integrated as computer technology, the most modern industrial robots, and, of course, highly productive machine tools." On the basis it will be possible to increase labor productivity in mechanical manufacturing "500 to 600 percent."

As to the present export volume, the minister states that the machine building industry is one of the main GDR export branches. At the same time, more machines are being made available for domestic use.

Asked about the utilization of CAD-CAM technology, Georgi points out that in 1987 the leading combines will be equipped with 1,322 CAD-CAM stations and that it is expected to save roughly 4 million man hours of work.

Referring to the planned rates of increase in the construction of machine tools for 1987 and the international reputation of the GDR machine building industry, Georgi emphasizes that the construction of machine tools plays a decisive part in the "automation and modernization of our national economy," and that, according to international statistics, GDR machine tool construction is in third place in exports and in sixth place in production.

As to the modernization of machine tools, he states that it is the most important way to achieve as "intensive increase in production," because investment costs are low and modernization can be implemented on the basis of the production of rationalization means, which is being increased "over-proportionally in all industrial fields.

WRITERS UNION ELECTIONS CAUSES 25 RESIGNATIONS

LD201610 Budapest MTI in English 1305 GMT 20 Jan 87

[Text] Budapest, January 20 (MTI) -- Imre Bata, editor-in-chief of ELET ES IRODALOM, a literary weekly (LIFE AND LITERATURE) announced in the latest issue that he has resigned from his membership of the Hungarian Writers' Union. He also announced that after the General Assembly of November 29 and 30 1986, Ferenc Juhasz, Magda Szabo, Janos Foldeak, Geza Molnar, Laszlo Gyurko, Szilveszter Ordogh, Gyorgy Moldova, Istvan Nemeskurty, Pal Pandy, Antal Vegh, Csaba Sik, Istvan Szerdahelyi and Sandor Fekete followed suit. In the same issue a communique by Sandor Fekete explains some of the reasons that led him to leave the union. He says: "Looking at the composition of the new leadership after the election, which helped a considerable number of people to be elected into office-holding posts and the presidium of the union, it has become obvious that that majority leadership does not aim at restoring relations between partners, but is taking actions that would appear to lead to an irrational political adventure."

The Secretariat of the Hungarian Writers Union has informed the press that to date a total 25 members have withdrawn memberships. Further writers are: Andras Berkesi, Pal E. Feher, Zoltan Galabardi, Andras Mihaly Ronai, Aladar Tamas, Antal Weber, Bela Hegyi, Ivan Sandor Kovacs, Gyorgy Asperjan, Miklos Almasi, and Gabor Tolnai.

SUPREME COURT RULES ON DRUG ABUSE PENALTIES

LD201751 Budapest MTI in English 1455 GMT 20 Jan 87

[Text] Budapest, January 20 (MTI) -- An "in principle" stand of the Supreme Court has been made public on legal proceedings on drug abuses and related offenses.

Drug abuse has increased recently and cases are dealt with by law enforcement. The present stand is to help members of the legal profession to interpret and apply the law in a unified way. Drug traffickers and pedlers are to receive more severe penalties than addicts.

An act of giving or selling drugs classifies as drug trafficking which is a criminal offence. If the provision is limited to one person only, the act is classified as a petty offence, unless the recipient is a minor.

Any person preparing or possessing drugs in minute proportions, with no intention to traffic, is likely to receive a more lenient assessment. Anyone found guilty of drug abuse with significant quantities will be sentenced to 1 to 5 years. Possession of excessive quantities can lead to a 2 to 8 years' sentence. A significant quantity is defined as an amount that may be a health hazard.

Under Hungarian law there are no penalties for use of narcotic medicaments or medicines but charges can be brought for aiding and abetting such use. It is clear from the stand that illegal access to certain classes of medicine must be prevented by means of administrative control. Stricter control over the issue of such medicaments is to be introduced.

MSZMP'S SZUROS EXPLAINS CEMA COOPERATION

LD210952 Budapest Domestic Service in Hungarian 1730 GMT 20 Jan 87

[Text] Matyas Szuros, secretary of the [MSZMP] Central Committee has visited Bacs-Kiskun County. After a briefing by Pal Romany, first secretary of the Matyas County [Party Committee], Szuros inspected the development enterprise of the Vegetable Production Research Institute in Kecskemet and the Tiszakecske factory of the Agro-Machine Enterprise. In the afternoon, at the town's party committee, he met with representatives of the neighbouring collectives. In his speech he said the following:

[Begin Szuros recording] In the 1986-90 period we shall expand Hungarian-Soviet goods exchange turnover beyond the planned 51 billion rubles. The Soviet Union is examining what kind of goods it can buy from Hungary for dollars which it purchases from capitalist markets. Everybody knows that for us Hungarian-Soviet economic cooperation is a matter of life and death; cooperation within CEMA is a matter of survival. However, this cooperation and its conditions and terms must be continuously adjusted to the requirements of the time. In other words, they must be developed. The search for new roads and forms matured by the mid-1980s. The prevalance of these new methods of approach can be seen in the shaping of relationships between the socialist countries. The changed foreign policy of the Soviet Union has had a positive impact on relations between the socialist countries as well.

Trust in the specific solutions of the other countries has become stronger. An attentive studying of the experience of others and an endeavour to suitably adopt and utilise these experiences can be seen. Joint efforts -- as well as those within national boundaries -- are being made for the shaping of effective forms of cooperation based on the coordination of interests. Working meetings of substance and constructive debates are held even at the highest level, for example in the meeting of the general secretaries in November as well as the CEMA summit. The emergence of economic measures can be seen in the formulation of joint ventures, research programs, and in ideas as well as in the perfection of the payment and account system. [end recording]

NATIONAL ASSEMBLY CHAIRMAN GREETS PRK'S CHEA SIM

BK210601 Phnom Penh Domestic Service in Cambodian 0430 GMT 21 Jan 87

[Text] Comrade Istvan Sarlos, chairman of the National Assembly of the Hungarian People's Republic, has sent a greetings message to Comrade Chea Sim, chairman of the National Assembly of the PRK, on the eighth anniversary of the 7 January national day. The message noted:

I would like to extend cordial salutations and best wishes to you and all members of the PRK National Assembly.

I am very happy to see that relations between our two countries and two peoples have developed ceaselessly and that the cooperation between our two national assemblies has broadened with each passing day, thus contributing to the development of our relations.

On this solemn occasion, I wish you good health and greater victories in your responsible tasks for the prosperity of your country.

FOREIGN MINISTER LEAVES FOR VISIT TO NORWAY

LD201125 Budapest MTI in English 0825 GMT 20 Jan 87

[Text] Budapest, January 20 (MTI) -- Hungarian Foreign Minister Dr Peter Varkonyi left for an official visit to Norway Tuesday. He is meeting an invitation from Norwegian Minister Knut Frydenlund.

DIPLOMATIC TIES ESTABLISHED WITH CAMEROON

LD202132 Budapest MTI in English 1935 GMT 20 Jan 87

[Text] Budapest, January 20 (MTI) -- On Tuesday Diplomatic relations of ambassadorial level were established between the Republics of Hungary and Cameroon. The relevant document was signed on Hungary's part by Gabor Nagy, deputy minister of foreign affairs, in Yaounde.

The Hungarian deputy foreign minister held talks in the capital city of Cameroon with Ministers William Eteki Mboumoua of foriegn affairs, Edouard Nomo Ongolo of trade and industry and Sadou Hayatou of planning and regional development. In addition to questions of concern to the African continent, the parties discussed the situation of bilateral relations and stressed there were numerous opportunities to carry on economic cooperation on the basis of mutual advantages.

BRIEFS

CULTURAL EXCHANGE WITH U.S. -- Ambassador Stephen Rhinesmith, the U.S. President's commissioner for the coordination of cultural and academic exchange programs, paid a visit to our homeland between 5 and 7 January. Ambassador Stephen H. Rhinesmith was received by Laszlo Kapolyi, minister of industry; Bela Kopeczi, minister of education; and by Pal Tetenyi, chairman of the National Technological and Development Commission. The American guest held talks with Jozsef Benyi, deputy minister of foreign affairs; Istvan Lang, general secretary of the Hungarian Academy of Sciences; and Gyorgy Nador, director general of the International Cultural Institute. The discussions covered the present situation and development possibilities of Hungarian-American cultural, scientific, and technological relations. [Text] [Budapest NEPSZABADSAG in Hungarian 8 Jan 87 p 5 AU]

ENVIRONMENTAL PROTECTION FUNDS -- Some 450 million forints were allocated last year to support environmental protection investments from central funds. Some 140 million forints were allocated for new projects. Thus, the Dorog Dangerous Waste Incinerator Plant had received 74 million forints by the end of 1986. The dangerous waste storage facility in Aszod received 150 million forints for environmental protection purposes. Varpalota Power Station received 64.5 million froints from central funds and 62 million forints from Veszprem council funds for the installation of filters in its chemneys. The complete reconstruction of the Construction Ceramics Plant of Romhany costs 133 million forints and the National Environmental Protection Office allocated 52.4 million forints toward the project. The special sewage water purification plant in Gyor began operation, and this project received 36 million forints from central funds The central environmental protection fund for 1987 is 852 million forints. From this sum, 595 million forints will be allocated for investments that are already in operation. [Summary] [Budapest NEPSZABADSAG in Hungarian 9 Jan 87 p 5 AU]

URBAN HOLDS WEEKLY PRESS CONFERENCE

LD201920 Warsaw PAP in English 1751 GMT 20 Jan 87

[Text] Warsaw, Jan. 20 -- The echoes of the visit paid by Wojciech Jaruzelski to Italy and by Japan's prime minister to Poland, more on the issue of alleged political prisoners in Poland, effects of the pollution of the Odra River, results of the poll conducted by the public opinion polling centre operating at the Polish radio and television -- these are the main subjects dealt with during today's conference for Polish and foreign newsmen given by government press spokesman Jerzy Urban.

On Jaruzelski's and Nakasone's Visits [subhead]

The results of the visit paid by President of the Council of State Wojciech Jaruzelski to Rome and the Vatican are now being analysed and the same is true of the visit of Japanese prime minister to Poland, said Urban, discussing the importance of these events for Poland. He went on that the Political Bureau of the PUWP Central Committee is making such an analysis today. The Council of State will also examine the results of the visits in question, and so will the Polish Government towards the end of the week. I cannot anticipate the evaluations of these bodies, said Urban. They will be announced. Today I can only make some contributory remarks.

Wojciech Jaruzelski's visit to Italy and the Vatican and Prime Minister Nakasone's visit to Poland were commented as a joint evidence of Poland getting out of the isolation in relations with the West. I do not view such an interpretation as an apt one. The notice about getting out of the isolation is belated. Today, in isolation is the policy of those few governments of Western states which try to delay the normalization of their relations with Poland. We wish that such delays disappear and even be made up for. However, it is difficult to say if it is possible to offset them and whether, consequently, this will not give rise to new, lasting phenomena in Poland's relations with the West. Let us take the following example. In Rome, the sides discussed the question of widening the scope of Italian language courses run within the departments of Roman philology [as received] at Polish universities. One cannot rule out that this will have to be done at the cost of other languages of this group.

The point is that the training of students has to correspond to the expected needs, to the expected density of political, economic, trade, scientific and cultural relations of Poland with her different partners. The Polish-Italian relations are progressing, hence the need for more Italian language experts. Poland's relations with other Romanic [as received] countries are lagging behind, therefore the scope of the university level courses of languages of those countries should be adjusted to meet the dwindling needs, Urban said.

After the analyses and evaluations are made by the Polish political and state leadership, lower levels of the state administration will continue to materialize the outcome of the visits by preparing appropriate agreements concerning different political and economic issues. For example, a Polish delegation at the vice-ministerial level will shortly leave for Japan to conduct economic talks. If these talks are encouraging to both sides we expect them to be followed by an exchange of economic missions, he went on.

A similarly working character (of contacts) will also be applied to relations with Italy. The Italian industry showed interest in some fields of the Polish industry. This impulse will bear fruit in the form of suitable contracts and, we hope, agreements on trade exchange and cooperation.

We have been following with interest our partners' commentaries in the wake of the talks with Polish leaders, Urban emphasized.

Commenting on Wojciech Jaruzelski's meeting with the pope, he said that the visit of the president of the Council of State to the Vatican has been of great importance. Wojciech Jaruzelski held a thorough talk with a pope who has the prosperity of his homeland and the global peace deep at heart. During the talk the pope paid much attention to Polish issues. He likewise displayed ardent interest in the questions of peace.

In general, world press comments reflect well the importance of the visit to the Vatican and the talk in question. It is not customary to reveal the course of a face-to-face talk. However, I can say that its course, the atmosphere of the visit, confirm the importance of this event which served well the issues of Poland and the issues of the world peace.

Asked to comment on Western mass media reports to the effect that during the audience given by the pope General Wojciech Jaruzelski's daughter received a rosary from John Paul II for herself and for her mother Urban said: I can see nothing sensational in this. On the part of John Paul II this was a nice gesture marked with cordiality, shown to women who are guests of the Vatican. In this case it concerned Wojciech Jaruzelski's daughter Monika Jaruzelska, and also an interpreter and a typist who were included in the Polish delegation.

Asked if a marked progress was made as to the question of modernization of the Polish motor industry during General Jaruzelski's visit to Italy and Prime Minister Nakasone's visit to Poland Urban stated that visits at such a level were something different than talks between industrial organizations concerned. They pave the road for economic cooperation. The cooperation of the Polish motor industry with foreign countries is an open question. It was discussed with both the Italian and Japanese sides. The Polish side continues to analyse the offers. The decision will be taken on the basis of the cost-benefit analysis, Urban said.

On Alleged Political Prisoners [subhead]

Commenting on some reports by Western mass media on an alleged existence in Poland of a group of people imprisoned for their political convictions Urban said that it had already been already years ago that Wojciech Jaruzelski declared the will and intention for Poland to become a country without so-called political prisoners. Since last September Poland has been such a country.

However, a part of Western press tries to create an impression in the public opinion of the Western world that there still exist so-called political prisoners in Poland, because it gives publicity to unfounded statements made in this regard by organizations which are not at home with the Polish situation or which put political calculations before the truth. For example, a Reuters report from Rome on January 15 said that heads of Italian trade union organizations had asked Wojciech Jaruzelski to release the remaining political prisoners.

It was printed by THE CHICAGO TRIBUNE and many other papers. The American press and a part of West European press gave publicity to the November resolution of the board of directors of the Polish American Congress calling for the release from Polish prisons of people who had been described as political prisoners. What is characteristic is that none of the papers printing these reports deemed it advisable to comment on them in order to explain to their readers that those calls had resulted from poor knowledge of Polish realities or had been a deliberate attempt to mislead Western public opinion.

Just for what kind of prisoners are some in the West speaking up? For the five men who got prison terms in 1983 for terrorist attacks with the use of explosives performed on public utility objects in Lublin a year earlier. Besides, those covicted in that case are not in prison any longer for they have already served their terms and went home, Urban said.

It is generally known that in Great Britain, the United States, France, Italy, terrorists who perpetrate their deeds out of political motives are refused the status of a political prisoner and no statistics excludes them from among common offenders. The offences are classified according to the kind of deeds and motives. By what right can one apply a different measure to Poland?

The calls for release also concern two men from Gdansk, who are in detention pending trial, for setting fire to flats of other citizens. In line with the U.S. law, acts of arson in residential buildings carry a maximum penalty of 20 years in prison, in France -- from minimum 5 years in prison to death penalty. In Italy, arson is punished with prison terms ranging from three to seven years. All this also applies to those persons who set fire out of political motives and no reduction of penalty is envisaged for them.

Those calls for releasing Poles allegedly serving terms for their political convictions also concern two murderers of a militia functionary. In the West those responsible for the murder of a policeman get the capital punishment whatever their motives. Political motives behind cases of homicide are concealed in Western statistics because those countries do not want to admit that they have hundreds or thousands of people convicted for offences perpetrated out of political motives.

The list of persons whose release was demanded in the West includes former functionaries of the Polish Ministry of Internal Affairs who in 1986 got prison terms of 6 and 4 years respectively for selling classified information. Is there any law-abiding country in the West which does not impose stiff penalties on corrupt policemen, Urban wondered.

Finally, the Western mass media tend to include under the category of the so-called political prisoners in Poland the rather few people who refused to enter military service because of political motives. In all the Western countries where, just like in Poland, military service is compulsory, people who refuse to serve are punished by jail, whatever the motives behind their refusal. According to Amnesty International, there were 18 such people serving prison terms in the FRG in 1984, 10 in France, 16 in Holland, and in the United States, where military service is no longer compulsory, a man who was sentenced in 1968 for refusing to go to Vietnam and in this way protested against the American aggression against that country, was arrested.

We, the Polish authorities, have always given and we continue to give information about prisoners according to the type of offence, the motives of the offenders -- the public opinion knows everything about the penal policy.

The Western countries keep secret the number of people imprisoned and convicted for political offenses because, as they claim, they regard them as common offenders. The West is trying to keep secret from the world the fact than many people are being prosecuted there, of which a large number, according to the criteria applied to Poland, should be recognized as political prisoners.

I am not in general criticizing the penal policy of the Western world. It is our opinion that murderers, arsonists and other terrorists must be punished accordingly everywhere. We also understand the necessity of enforcing compulsory military service. However, I stand out against keeping secret the truth about political prisoners in the West, against hypocrisy and the use, by certain Western organizations and newspapers, of a different measure to the relations in the Western countries and a different measure with regard to Poland.

I accuse all those who spread slander about the existence of political prisoners in Poland of immoral mendacity and bad intentions toward our country, Urban said.

Urban acquainted the newsmen with the results of the poll conducted by the public opinion polling centre operating at the Polish radio and television in which respondents presented their evaluations of the past year. Thirty-one per cent of the respondents viewed the year 1986 as good, 47 per cent -- as neither good nor bad, 12 per cent -- as bad, and 10 per cent could not present any opinion on the subject. For the sake of comparison, the spokesman cited the corresponding figures for 1981: 2 per cent, 11 per cent, 86 per cent, and 1 per cent. He noted that the assessments of 1986 were slightly worse than those of 1985. While assessing the year 1986 the respondents recognized the following phenomena as the most favourable for Poland: improved market supplies, stabilization of the situation in the country, improvement in the general economic situation, release of political prisoners, good crops in the agriculture and improvement in relations with foreign countries.

Losses Following Odra River Pollution [subhead]

Asked whether the losses resulting from the pollution of the Odra River had already been assessed Urban said that the final evaluation of the losses could be made in the spring. Talks are underway as to the mode of higher-level contacts between Poland and Czechoslovakia. Poland signalised it would claim compensations and it will present the claims once the talks take place.

On French Foreign Visit [subhead]

Urban had this to say, among other things, in reply to a question if the issue of French Foreign Minister P. Raimond's visit was still topical: "We wish to play host to the French minister of foreign affairs and we are interested in an improvement of mutual relations."

On New York Mayor's Visit [subhead]

Asked if he intended to meet the mayor of New York who was expected to come for an unofficieal visit this coming Friday and who had frowned upon the Polish offer to send sleeping bags for the homeless in the United States Urban said: "I would be glad to do this were I responsible for sending charity gifts. I was only reporting on the gift-sending campaign, in view of the solely informational role of mine."

The gifts come from the Polish social welfare committee. I do not rule out that representatives of this comittee will like to meet Mayor Koch or his entourage to learn about any progress in exempting the Polish gift from customs duties. I do not think that Mayor Koch continues to uphold his opinion that the homeless people of New York need no assistance of its kind. [no closing quotation marks as received]

On Losses Caused by Severe Winter [subhead]

Asked whether the losses suffered by the Polish economy so far as a result of the harsh winter had already been assessed Urban said it was too early for evaluations. The losses in production do exist and they are considerable, too, but not beyond the possibility to make up for them. The coal transportation from mines ceased to be a problem. All the routes were and continue to be passable, there was only the problem of unloading the frozen coal. Urban emphasized there were no people in Poland who would freeze for lack of home.

Untrue Reports Denied [subhead]

Urban recalled that on Dec. 22 last year, the Swedish radio had beamed a report and a commentary on Poland's nuclear energy programme and the ongoing erection of a nuclear plant at Zarnowiec, northern Poland. He said the report had contained clearly untrue elements, such as that the foundation of the would-be plant was allegedly cracking and that attempts to repair the alleged cracks had failed.

"All this is insinuation. There have been no cracks in the foundation. It is also untrue that the ground was unsuited for a foundation of this kind as the report alleged," Urban said.

"All which is true is that there were problems in providing the builders with quality cement that is necessary for proper making of the foundation. For this reason work on the foundation had been dropped, but the problems are now over and at present the project is receiving cement of adequate quality.

"The fact that work on the foundation was temporarily stopped to ensure a type of cement that will pass through all quality checks is a proof of extreme conscientiousness of the builders, rather" Urban noted.

POLITBURO BRIEFED ON JARUZELSKI TRIP, OTHER ISSUES

LD201908 Warsaw Television Service in Polish 1830 GMT 20 Jan 87

[Text] The PZPR Politburo has been in session. Participants were briefed on an assessment of the activity of party members in the actions of the Patriotic Movement for National Rebirth, particularly in the campaign prior to its second congress. The Polish sports situation and its development based on the necessity for improving the level of physicial education in the coming years were discussed.

The PZPR Central Committee Politburo also listened to information about Wojciech Jaruzelski's visit to Italy. Its constructive progress and the significance of the decisions adopted during the talks for the expansion of Polish-Italian cooperation were emphasized. The progress and results of the visit of the Council of State chairman to the Vatican were highly assessed.

Participants also were briefed on information concerning the visit to Warsaw of Yasuhiro Jakasone, the Japanese prime minister. Its importance for dialogue and greater cooperation between the two countries was emphasized.

CZYREK DISCUSSES JARUZELSKI ITALIAN TRIP

AU201048 Warsaw ZYCIE WARSZAWY in Polish 17-18 Jan 86 pp 1, 2

[Article by Jozef Czyrek, PZPR Politburo member and Central Committee secretary: "In My Opinion"]

[Text] It is difficult to provide a full assessment in such a short article of important events like State Council Chairman Wojciech Jaruzelski's visit to Italy and the Vatican and Japanese Prime Minister Yasuhiro Nakasone's visit to Poland. So I will restrict myself to the most important aspects of these visits.

First, they express Poland's increasing role and importance in the international arena and the strengthening of our position in the socialist community, on the basis of the stabilization of the political and socioeconomic situation which we have achieved.

Second, they display the energy of Polish foreign policy, dictated by our national interests; our consistent aim toward peace, security, and detente; and our aim to develop dialogue and equal, mutually advantageous cooperation and secure our political and economic interests, as well as other aims in other spheres of international coexistence and cooperation.

Third, in the current European and world situation, they signify the attainment of solid and stable partners for dialogue and cooperation.

Speaking about his Italian visit, General Wojceich Jaruzelski said that Polish-Italian relations may serve as a model for detente in Europe instead of confrontation; and economic, scientific, and cultural cooperation, instead of the antagonizing barriers which divide our continent into East and West. I believe this can also be applied to our relations with Japan.

General Wojceich Jaruzelski's visit to the Vatican and talks with Pope John Paul II are of a singular character and significance. This is clearly shown by the fact that the pope described the visit as having historic significance. John Paul II's moral authority, his energy in defense of the universal values of peace and the success of the family of man, and his wishes for our people and personal wishes for General Jaruzelski possess a particular echo for Poles.

A moving symbol of our national accord, and not only in its historical aspect, was the homage paid to the Polish soldiers who died on Italian soil in the battle for your freedom and ours. This symbolizes not only moves, but acts as a commitment. I believe all Poles feel this way.

CZYREK ADDRESSES PARTY MEETING ON AKTIVISTS

LD172032 Warsaw Domestic Service in Polish 1900 GMT 17 Jan 87

[Text] A meeting has taken place of the Central Committee team dealing with matters pertaining to merited aktivists of the workers' movement.

The meeting was attended by Jozef Czyrek. An assessment was made of the implementation of the PZPR Central Committee Secretariat's resolution relating to the work of party echelons with merited activists of the workers' movement and to the participation of veterans in the party's activity.

Jozef Czyrek said that the party's leadership views and will continue to view, with proper attention and concern, all problems relating to this group. On behalf of Wojceich Jaruzelski, he also expressed gratitude to the merited activists of the workers' movement for their active participation in the social and political life of the country.

CARDINAL GLEMP ENDS 3-DAY ALGERIAN VISIT

LD182243 Warsaw PAP in English 1845 GMT 18 Jan 87

[Text] Algiers, Jan 19 -- Polish primate, Cardinal Jozef Glemp visited Algeria January 15-17 at the invitation of archbishop of Algiers, Cardinal Duval.

During his stay the Polish primate was received by Algerian Minister of Foreign Affairs Ahmed Taleb Ibrahimi.

Arrives in Rome

LD172317 Warsaw Domestic Service in Polish 2300 GMT 17 Jan 87

[Text] Cardinal Jozef Glemp, the primate of Poland, has arrived in Rome on a 5-day visit. In a short statement on his arrival the primate emphasized the international significance of the recent visit to Italy by Wojceich Jaruzelski, chairman of the Council of State. He said that the visit was important not only for Poland and Italy but also for the East-West relations.

'DIFFICULT' WEATHER CONDITIONS CONTINUE

AU202051 Bucharest AGERPRES in English 1940 GMT 20 Jan 87

[Text] Bucharest AGERPRES 20/1/1987 -- In the last few days weather continued to be very cold and frosty in Romania with maximum temperatures ranging between minus 12 and minus 6 Centigrade and minimum ones between minus 20 and minus 19 Centigrade in the northeast, with temporary snowfalls and strong winds drifting the snow; glaze produced in several areas.

Given such difficult weather conditions, people working in transport took firm action to provide for a smooth run of activities.

In railway transport, more than 7,000 emergency teams work uninterruptedly so as to ensure proper operation of railways and railway equipment, and maintain a transport speed near to the normal one.

On the national roads on which drivers to cope with glaze and ice especially in hilly and mountainous zones in south Muntenia, in Dobrogea and Moldova work is under way to spread nonskid materials. The unfavourable weather conditions called for temporary suspension or shortening of routes in Bihor, Botosani, Constanta, Ialomita and Tulcea Counties.

Shipment on the Danube in highly difficult owing to ice floes between Bazias and Drencova and from Drobeta-Turnu Severin downstream in proportions of 20 to 80 per cent of the water surface. Icebreakers operate to remove the ice and take the ships to ports. On the Sulina canal, where the ship "Viteazul" is at work to avoid jamming, and on the Chilia branch up to the same named port passenger traffic is normal, in accordance with winter timetables. On the Sfintu Gheorghe arm, at kilometre 86-87, the "Galati III", "Rucar" and "Cetatuia" tugboats broke the ice packs formed in the last 24 hours to pave thus the way for the barges which transport raw materials for the metallurgical combine in Galati. Crossing by ferryboat has temporarily been stopped, but measures have been taken to resume traffic as soon as possible. In the port of Tulcea just as in the other ports to the Danube all forces work to provide best conditions for a rhythimcal shipment.

Harbour activities as well as work on rivers and on the sea proceed in difficult conditions because of winds and low temperatures.

CEAUSESCU RECEIVES DEPARTING ZIMBABWE ENVOY

AU201823 Bucharest AGERPRES in English 1641 GMT 20 Jan 87

[Text] Bucharest AGERPRES 20/01/1987 -- Romania's President Nicolae Ceausescu received on January 20 Nicholas T. Goche, ambassador of the Republic of Zimbabwe to Bucharest, at the end of his mission in Romania.

During the talk on the occasion stress was laid on the good relations between Romania and Zimbabwe, and the wish was expressed to further develop them both bilaterally and internationally.

The Zimbabwean ambassador warmly thanked for the support he was granted by President Nicolae Ceausescu, the State Council and the Government of Romania to fulfill his mission in Romania.

AGREEMENT SIGNED ON ITALIAN REFINANCING OF DEBT

LD161632 Belgrade TANJUG in English 1516 GMT 16 Jan 87

[Text] Rome, January 16 (TANJUG) -- An inter-state agreement between Yugoslavia and Italy was signed in Rome today on the refinancing of the Yugoslav debt due between 1986 and 1988.

The agreement signed after four-day negotiations envisages a 108-billion-lira Italian loan to Yugoslavia under favourable credit conditions.

The agreement was signed by general director in the Italian Foreign Affairs Ministry Giocomo Attolico, and department head in the Yugoslav Finance Secretariat Nokola Jelic.

FEC VIEWS PLAN IMPLEMENTATION, TALKS WITH EEC

LD152223 Belgrade TANJUG Domestic Service in Serbo-Croatian 1532 GMT 15 Jan 87

[Excerpts] Belgrade, 15 Jan (TANJUG) -- Today at its session the FEC, presided over by Janez Zemljaric, reviewed the implementation of the resolution on implementing Yugoslavia's social plan at the beginning of this year. In this connection, a program of measures and activities was set out, tasks were specified, and those to carry them out and the deadlines for their completion were determined. The tasks relate to the organs and organizations of the federation.

A report was also examined on the consultations of the Yugoslav delegations with the IMF mission, as well as a report on talks with the IBRD mission up to the end of this decade. The FEC, according to the report from the Secretariat for Information, also discussed the course of negotiations for the renewal of the trade and financial provisions of the agreement on cooperation between our country and the EEC. This includes the adjustment of the agreement on cooperation following the extension of the EEC to include Spain and Portugal. Considering the importance of Yugoslavia's cooperation with this economic grouping and the fact that in negotiations so far the FEC has not shown sufficient regard for our proposals, the FEC set out the guidelines for our delegation for the continuation of talks at the multilateral and bilateral level. [passage omitted]

At today's session, agreement was also given to the formation of customs zones in the ports of Koper, Rijeka, Belgrade and Bar. The ports in which the zones are to be established will be able to produce goods for export from their industries and provide services for finishing foreign goods, for storage and handling of foreign goods, for preparation of the same untaxed goods for the market, and for supplying ships engaged in international river and maritime transportation.

Changes and amendments to the decision on designating major roads, which were approved at today's session, mean an increase in the number of roads in the counety with this status. The session also approved a decision on coordinating the values of goods which persons may import with changes in the exchange rate of the dinar. The entitlements to import goods remain unchanged.

ZEMLJARIC REPORTS ON RENOVICA USSR TRIP

LD192312 Belgrade TANJUG Domestic Service in Serbo-Croatian 1830 GMT 19 Jan 87

[Text] Ljubljana, 19 Jan (TANJUG) -- At an augmented session of the Slovene LC Central Committee's International Cooperation Commission today, Janez Zemljaric, member of the LCY Central Committee and vice president of the FEC, presented a report on the official and friendly visit paid by an LCY delegation led by Milanko Renovica, president of the LCY Central Committee Presidium, to the Soviet Union in December 1986.

Zemljaric said that the visit itself and the talks conducted with the CPSU delegation were positive and mutually beneficial, and were expected to contribute to the development of both the friendly relations between the LCY and the CPSU and of interstate relations based on jointly adopted principles contained in the Belgrade and Moscow declarations.

The visit also contributed to the development and enrichment of bilateral cooperation. The introduction of the higher forms of economic cooperation such as long-term industrial cooperation and specialization, scientific and technical cooperation, and joint investments in other spheres will provide great opportunities for further economic developments in particular.

The report by the Slovene LC Central Committee's Information Center quotes Zemljaric as saying that the peoples of both countries were advocating good, stable and developed bilateral relations between the SFRY and the USSR, based on the well-known principles and contributing to equal international cooperation. He also said that the relations between the two countries were of wider international significance.

PRC DELEGATION ENDS 7-DAY VISIT TO SERBIA

AU201902 Belgrade BORBA in Serbo-Croatian 16 Jan 87 p 4

[Text] Belgrade -- Slobodan Milosevic, president of the Serbian LC Central Committee Presidium, yesterday held final talks with the members of a delegation from China's Heilongjiang Province led by Sun Weiben, secretary of the province's committee and member of the CPC Central Committee. The delegation had been on an official visit to the SR of Serbia between 8 and 15 January.

In their talks they expressed satisfaction regarding the successful development of friendly relations between the SFRY and the PRC and concluded that during the delegation's visit broad possibilities were created for strengthening and expanding of cooperation between the parties, economies, and scientific and technical and cultural work of the SR of Serbia and Heilongjiang Province. Several business contracts were also signed.

Sun Weiben invited Slobodan Milosevic to visit Heilongjiang Province. The invitation was accepted with pleasure.

At the end of the visit a joint protocol was signed regarding talks and further cooperation between the SR of Serbia and Heilongjiang Province.

The delegation which has departed for China, was seen off at the airport by Slobodan Milosevic, president of the Serbian LC Central Committee Presidium, Desimir Jevtic, president of the Serbian Executive Council, and other republican officials.

HUNGARY'S ISTVAN HORVATH VISITS 15-17 JAN

LD182213 Budapest MTI in English 1556 GMT 18 Jan 87

[Text] Belgrade, January 18 (MTI) -- Istvan Horvath, secretary of the Central Committee of the Hungarian Socialist Workers' Party paid a friendly visit to Yugoslavia January 15th to 17th on invitation of the Central Committee of the League of Communists of Yugoslavia. He held talks with Stane Dolanc, member of the Presidium of the Yugoslav Socialist federal Republic and Marko Orlandic, member of the Presidium of the Central Committee of the League of Communists of Yugoslavia. Present at the meetings was Sandor Gyorke, Hungary's ambassador to Yugoslavia.

At the talks they examined successfully developing relations between Hungary and Yugoslavia and topical issues of the international situation. They also exchanged views on the tasks facing the HSWP and the LCY, and Hungarian and Yugoslav society.

Istvan Horvath, together with Istvan Oszi, deputy head of the foreign relations department of the Central Committee of the HSWP, and Imre Szokai, member of the Central Committee staff, who had accompanied him, left for Budapest Sunday.

TALKS HELD WITH PHILIPPINE TRADE OFFICIALS

LD170050 Belgrade TANJUG in English 2200 GMT 16 Jan 87

[Text] Manila, January 16 (TANJUG) -- Possibilities for expanding Yugoslav-Philippine economic and financial cooperation were in the focus of the talks Yugoslav Foreign Trade Secretary Nenad Krekic held here today with Philippine ministers of planning [as received] and finance Solita Monsod and Jaime Ongpin, respectively.

It was mutually assessed that possibilities exist for including the Yugoslav economy in the realisation of Philippine economic development projects in the power industry, irrigation and agriculture.

At the Philippine Chamber of Commerce and Industry today, the Yugoslav economic delegation conferred with chamber president Aurel Perikot on possibilities for expanding trade and cooperation with the Philippine private sector. It was [word indistinct] that a group of Philippine businessmen soon visit Yugoslavia.

Nenad Krekic met also with Philippine Vice-President and Minister of Foreign Affairs Salvador Laurel, with whom he exchanged views on the international situation and the two countries' cooperation in the U.N. and the movement of non-aligned countries. The fact that the two countries share close views on questions of the struggle for peace and development of equitable international economic and political cooperation was mutually set out.

HASANI, PRK'S SIHANOUK HOLD FURTHER TALKS

LD201836 Belgrade TANJUG Domestic Service in Serbo-Croatian 1459 GMT 20 Jan 87

[Text] Belgrade, 20 Jan -- Sinan Hasani, president of the SFRY Presidency, and Prince Norodom Sihanouk, president of Democratic Kampuchea, today ended their talks in the Palace of the Federation which, for the most part, were devoted to current international questions.

During today's meeting, Sinan Hasani first of all briefed his guest on the internal development of Yugoslavia and its successes, difficulties and the efforts to overcome them. Hasani also familiarized Sihanouk on the activities under way to develop the political system.

Sinan Hasani then spoke very extensively about international questions and the international activities of Yugoslavia. He stressed that the nonaligned countries are in a period of implementing the decisions of the eighth summit conference in Harare. Yugoslavia is devoting the greatest attention to this question, Hasani said, so as to achieve the desired goal: that the Nonaligned Movement be involved to the greatest possible extent in all major world questions. In Hasani's assessment the activity of the nonaligned countries toward realizing the decisions of the eighth summit conference were expressed, in particular, at the United Nations General Assembly session. Some significant actions are under way, including the session in Delhi of members of the Africa fund for assistance to the Frontline States.

Sinan Hasani also spoke at length about the crisis flashpoints that seriously burden international relations, stressing that Yugoslavia is advocating their elimination from international life. Hasani also pointed to the significance of the standpoint adopted at the summit in Harare in connection with crisis flashpoints.

It is in the interests of the nonaligned countries that the dialogue between the big powers continues, Hasani said, stressing at the same time that other countries, too, should participate in the process of negotiation and detente, and make their contribution to these efforts.

The president of the SFRY Presidency briefed his guest on Yugoslavia's relations with the countries outside the Nonaligned Movement. He emphasized the importance Yugoslavia attaches to its cooperation with the nonaligned and neutral countries in Europe aimed at securing continuation of the CSCE process.

In the course of today's meeting Sinan Hasani again emphasized that Yugoslavia was paying great attention to the Cambodian people's struggle for liberation and to the efforts by the coalition government of Democratic Kampuchea to find a political solution to Cambodia's problem. Yugoslavia supports all initiatives and the coalition government's eight-point plan, in particular, which may lead to a peaceful solution to this problem. Yugoslavia has always and in all forums advocated respect for every nation's right to organize its life according to its own will, in peace and without outside interference, Hasani said. He stressed that Yugoslavia had always considered the withdrawal of foreign troops and the establishment of Cambodia's independent and nonaligned status as being crucial for resolving the Cambodian problem.

Norodom Sihanouk, who during his first meeting with President Hasani spoke in greater detail about the international situation and the Cambodian problem, today expressed warm gratitude to Yugoslavia for its support for the efforts Democratic Kampuchea was making to resolve the crisis. He stressed that support was of exceptional importance for democratic Kampuchea's efforts to find a political solution to the problem of Cambodia.

Today's talks were also attended by Nevenka Neralic-Milovijevic, member of the FEC; and Budimir Loncar, deputy federal secretary for foreign affairs.

LCY CENTRAL COMMITTEE PRESIDIUM HOLDS SESSION

LD210152 Belgrade TANJUG Domestic Service in Serbo-Croatian 1935 GMT 20 Jan 87

[Text] Belgrade, 20 Jan -- The LCY Central Committee Presidium, at a session presided over by Milanko Renovica, endorsed a report on the visit by Radisa Gacic, secretary of the LCY Central Committee Presidium, to Czechoslovakia. The assessment was made that this visit and the talks held with Gustav Husak, general secretary of the CPCZ Central Committee and CSSR President; and with Vasil Bilak, secretary of the CPCZ Central Committee; represent a contribution to promoting relations and strengthening cooperation between the LCY and the CPCZ and between the two countries.

Some questions concerning method of work and activity of the LCY Central Committee and the LCY Central Committee Presidium are also reported to have been discussed at the session. Among other things, it was pointed out that the LCY Central Committee and its Presidium are making efforts toward improving their method and content of work, to develop and realize as successfully as possible the united policy of the LCY and the ideological orientations in the development of socioeconomic relations, the sociopolitical system, and ideo-political activity of the LC so that differences in assessments, views, and approaches to this problem would be overcome. With this aim in view an analysis of the situation will be undertaken and an approach will be made to overcome unsolved problems in the work method and manner of activity of the organs and organizations of the LCY as a whole.

At the session the Presidium also discussed and endorsed a report on the LCY Central Committee Presidium's Center for Social Research for the 1982-1986 period and the work program of the center for the next 4-year period. Stress was laid on the significance of this center, as well as of centers for Marxism as a whole, in promoting ideo-political training and development of theoretical work, and it was pointed out that these centers should be the proponents of democratic and critical dialogue on all unsolved theoretical problems of Marxism and socialist self-management. In this sense they should to a considerably greater measure than so far act as factors of constituting and implementing the LC policy. The Presidium also discussed the functioning of the fund for publishing activity and scientific and research work and endorsed a report on the work of the administrative committee of the fund in the past period.

At the session the Presidium appointed editorial councils and chief editors of individual publications of the KOMUNIST newspaper and publishing organization and established proposals for appointing editorial councils and chief editors of the publications of the KOMUNIST newspaper and publishing organization for which the statute envisages the authority of the Central Committee.

SERBIAN KOMUNIST URGED TO BE 'MORE MILITANT'

LD202046 Belgrade TANJUG Domestic Service in Serbo-Croatian 1455 GMT 20 Jan 87

[Text] Belgrade, 20 Jan -- This year's program orientation of the newspaper KOMUNIST, for the Serbia SR edition, today received the support of the Serbian LC Central Committee Information and Propaganda Commission. The report on its work to date was also approved with the basic comment that KOMUNIST is expected to be even more militant and bolder. In order to be up to its task of informing the membership and the public at large, KOMUNIST should be more up to date and closer to life in its presentation of current topics and events. This is particularly applicable to Kosovo. It implies not only the recording of events and phenomena, but also a committed stance.

The members of the commission assessed that the report of the editorial office is very critical in tone, as were the remarks of Momir Brkic, chief editor of the Serbin SR edition of KOMMUNIST. In its content the paper is still slanted mainly toward the leadership, and less toward the membership and basic LC organizations. Its articles do not show the full picture of the political activity of the Serbian LC, nor does it show the political life in the provinces and other republics, according to Momir Brkic. Cooperation with the provincial editorial offices is realized only through the joint editorial office, he added.

The lack of unity in the LCY is clearly perceptible in editions of KOMMUNIST as well, perhaps even more so than in other papers, the chief editor of the Serbian edition believes. Editorial criteria are not coordinated; therefore it happens, he says, that in the same edition the readers have two or three different political approaches and assessments of the same issues.

The support given today to the program concept for this year is at the same time a demand for the Serbian SR edition of KOMMUNIST to be even more comprehensive and topical. It is expected not only to popularize the ideological orientations of the LCY and Serbian LC, but also to write about how they are realized. In order, however, to fulfill the numerous demands, it must turn more boldly to the entire Serbian LC and LCY and not just to the leaderships, and must take a lead among the other public media in its sensible and in-depth examination of social events.

ZEMLJARIC ADDRESSES ARMY OFFICERS 14 JAN

AU201810 Belgrade BORBA in Serbo-Croatian 15 Jan 87 p 5

[Text] Janez Zemljaric, vice president of the FEC, yesterday adressed, in the Military Hall in Belgrade military officers and civilians employed by the Yugoslav People's Army about current economic trends, the resolution of socioeconomic development, and the economic policy of the SFRY for this year. As reported, among those present were: Rear Admiral Petar Simic, Lieutenant Colonel General Avgust Vrtar, Rear Admiral Milun Nikolic, Major General Marko Negovanovic, and other important military officers from the Federal Secretariat for National Defense.

TANJUG REPORTS PASSPORT GRANTED TO DJILAS

LD211155 Belgrade TANJUG in English 1052 GMT 21 Jan 87

[Text] Belgrade, January 21 (TANJUG) -- Milovan Djilas, one-time member of the highest Yugoslav political leadership, has been granted a passport.

The passport, as has unofficially been learned, has been issued to Djilas at his own request, his first since 1978.

Milovan Djilas, one-time close associate of Tito, has several times been sentenced for criminal offenses. He was discharged in 1953 from the high posts he held. Djilas, 76, a pensioner, lives in Belgrade.